

MINUTES OF A COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON WEDNESDAY, 25 JANUARY 2017 AT 10:00

PRESENT

Councillors

TT Godden (Speaker)
BC Klaasen (Executive Mayor)
K Adams (Deputy Executive Mayor)
TE Abrahams
P Daniels
P Heradien
SJ Hugo
DM Jacobs
GG Laban
C Lottering
M Mdala
TP Mgoboza
ZS Mzauziwa
N Phatsoane
JT Phungula
EM Sidego
RJ Simpson
D Swart
HF Visagie
JJ Visagie

Alderman

HJ Smit

Officials

Mr D Nasson (Municipal Manager)
Mr J Barnard (Director: Technical Services)
Ms J Krieger (Director: Community Services)
Mr HJ Kritzingen (Director: Finance)
Mr G Louw (Head: Internal Audit)
Ms L Nieuwenhuis (Legal Advisor)
Mr A Hofmeester (IDP Manager)
Mr CG Wessels (Manager: Administration)

Other representatives

Ms JM Williams (AGSA)

1. OPENING AND WELCOME

The Speaker welcomed everyone present, especially Ms June Williams, representative of AGSA, after which he requested Councillor P Heradien to open the meeting with prayer.

NOTED

**2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY
(3/1/2/1)**

Applications for leave of absence from the meeting were received from Alderman JW Schuurman and Councillor D Kinnear.

RESOLVED

that the applications for leave of absence from the meeting, received from Alderman JW Schuurman and Councillor D Kinnear, be approved and accepted.

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED

**3.1 Gratitude, Congratulations and Commiseration
(11/4/3)**

Council's congratulations were conveyed by Councillor G Laban to the following councillors and spouses on their birthdays:

- Mr Mfusi Mdishwa 1 January
- Councillor BC Klaasen 8 January
- Councillor JT Phungula 15 January
- Councillor H Visagie 18 January
- Ms Fowzia Adams 24 January
- Ms Clara Godden 25 January

NOTED.

**3.2 Matters raised by the Speaker
(09/1/1)**

The Speaker congratulated the Administration in obtaining an unqualified financial audit report.

NOTED

**3.3 Matters raised by the Executive Mayor
(09/1/1)**

The Executive Mayor welcomed all councillors back from the council recess and mentioned that exciting times and challenges lie ahead for Council in 2017.

The Executive Mayor congratulated Council and Administration on achieving an unqualified financial audit report. The Executive Mayor said that he believes that a clean audit is also coupled with good service delivery.

The Executive Mayor said that service delivery will be an important matter in 2017. Therefore teamwork and cooperation are important for Council and if there are differences, they must still have respect and appreciation for one another.

NOTED

4. MINUTES

**4.1 Approval of minutes
(3/1/2/3)**

The minutes of the council meeting, held on 13 December 2016, are attached as **annexure 4.1**.

Councillor E Sidego mentioned that only the confidential part of the minutes of the council meeting, held on 13 December 2016, was placed on drop box although it was distributed within the hard copy agenda.

The meeting decided that the matter of the approval of the minutes be held in abeyance until the next council meeting.

UNANIMOUSLY RESOLVED

that the approval of the minutes of the council meeting, held on 13 December 2016, be held in abeyance until the next council meeting.

**4.2 Outstanding matters
(3/3/2)**

File reference	Heading, item no. and date	Directorate	Action	Progress	Target date
1/3/1/25	8.4.1 of 26-10-2016 Rules of Order for Conducting of Meetings	Corporate Services	that the matter with regard to the Rules of Order for Conducting of Meetings be workshopped by Council		

RESOLVED

that the matter will be dealt with at the next council meeting.

5. MOTIONS AND NOTICE OF SUGGESTIONS

None

NOTED

6. INTERVIEWS WITH DELEGATIONS

**6.1 2015/2016 Audit Report from the Auditor-general of South Africa
(5/14/1/13)**

A presentation in respect of the 2015/2016 Audit Report from the Auditor-general of South Africa was made by Ms June Williams, representative of AGSA.

The matter of the 2015/2016 Audit Report from AGSA was dealt with under item 8.1.1.

NOTED

7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS

**7.1 Minutes: Committee meetings
(03/3/2)**

The reports/minutes of the following meetings are attached:

- (a) Performance, Risk and Audit Committee meeting, held on 20 May 2016: **Annexure 7.1(a).**
- (b) Performance, Risk and Audit Committee workshop, held on 26 August 2016: **Annexure 7.1(b).**
- (c) Executive Mayor and Mayoral Committee meeting, held on 25 October 2016: **Annexure 7.1(c).**
- (d) Ad hoc Appeal Committee meeting, held on 12 December 2016: **Annexure 7.1(d) (Confidential).**

UNANIMOUSLY RESOLVED

that notice be taken of the minutes of the committee meetings.

8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

8.1 Direktooraat Finansies / Directorate Finance

8.1.1 2015/2016 Audit Report from the Auditor-general of South Africa
(5/14/1/13)

The following report, dated 18 January 2017, was received from the Director: Finance:

“1. Purpose

To submit the audit report received from the Auditor-general of South Africa

2. Background

A separate report is submitted to council on the mSCOA regulations.

3. Discussion

The report for the 2015/2016 financial year, attached as **annexure 8.1.1**, was received from the Auditor-general of South Africa.

A representative from the office of the Auditor-general of South Africa has been requested to present the report to Council.”

The 2015/2016 Audit Report from the Auditor-general of South Africa was discussed by Ms June Williams and the following matters were highlighted:

- Paragraph 6: Not everything was absolutely 100 %, but in the opinion of AGSA the financial statements present fairly, in all material respect, the financial position of the Witzenberg Municipality as at 30 June 2016. Even if it was 100 % the sentence in paragraph 6 will be part of the report.
- Paragraph 7: The emphasis of matters does not mean that something is wrong.
- Paragraph 8: Material impairments: Council needs to attend to the matter of debtors.
- AGSA advised Council as follows:
 - The more unqualified audits a municipality gets, the harder it becomes to achieve this kind of audit reports. AGSA requested Council not to sit back and relax, but to continue the hard work and even raise the standard.
 - AGSA mentioned that they were impressed with the PRAC meeting of the municipality, held on 20 January 2017, with the drive of management to obtain clean financial audits.
 - AGSA encouraged Council to understand financial measures and to take accountability for what is happening.

UNANIMOUSLY RESOLVED

that notice be taken of the Audit Report for the 2015/2016 financial year, received from the Auditor-general of South Africa, and same be accepted.

**8.1.2 Mid-year budget and performance assessment for period 1 July 2016 to 31 December 2016 (Section 72 report)
(9/1/1 & 5/1/5/9)**

The following report, dated 18 January 2017, was received from the Director: Finance:

“1. Purpose

The purpose of this report is to submit the mid-year budget and performance assessment for the period 1 July 2016 to 31 December 2016 to Council, for information.

2. Legislature framework

In terms of Section 72 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

‘(1) The accounting officer of a municipality must by 25 January of each year –

- (a) Assess the performance of the municipality during the first half of the financial year.
- (b) Submit the report to the Mayor, National Treasury and Provincial Treasury.’

The mayor must, in terms of Section 54(1)(f) of the act submit the report to the council by 31 January of each year.

3. Discussion

The Mid-year report for 2016/2017 is attached as **annexure 8.1.2.**”

RESOLVED

- (a) *that notice be taken of the Mid-year Budget Statement and Performance Assessment for the period 1 July 2016 to 31 December 2016.*
- (b) *that an adjustment budget be tabled to Council during February 2017.*

**8.1.3 Quarterly Budget Statement (Section 52) Report: 1 October 2016 to 30 December 2016
(9/1/2/2)**

The following report, dated 18 January 2017, was received from the Director: Finance:

“1. Purpose

The purpose of this memorandum is to submit the Quarterly Budget Statement to Council for information.

2. Background

The Quarterly Budget Statement (Section 52) report for the period 1 October 2016 to 30 December 2016 is attached as **annexure 8.1.3.**"

RESOLVED

that notice be taken of the contents of the Quarterly Budget Statement Report for the period 1 October 2016 to 30 December 2016.

**8.1.4 Report by the Performance, Risk and Audit Committee on the Draft Witzenberg Annual Report: 2015/2016
(5/14/2 & 9/1/1)**

The following items refer:

- (a) Item 6.2.1 of the Performance, Risk and Audit Committee meeting, held on 17 January 2017.
- (b) Item 7.1.2 of the Executive Mayor and Mayoral Committee meeting, held on 20 January 2017.

The following memorandum, dated 1 December 2016, was received from the Director: Finance:

"Purpose

The purpose of this report is to table the Draft Annual Report for 2015/2016 to Council.

Legislature framework

In terms of Section 127 (2) of the Municipal Finance Management Act (Act 56 of 2003), the Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control.

Discussion

The report of Auditor-general of South Africa on the Annual Financial Statements, Predetermined Objectives, Compliance with Legislation and Internal Controls forms part of the Draft Annual Report. The mentioned report was received on 30 November 2016.

The Draft Annual Report for 2015/2016 is attached as **annexure 8.1.4.**"

The Performance, Risk and Audit Committee unanimously resolved on 17 January 2017 to recommend to the Executive Mayor, Mayoral Committee and Council that the Draft Witzenberg Annual Report for 2015/2016 be approved.

The Executive Mayor and Mayoral Committee resolved on 20 January 2017 to recommend to Council that the report by the Performance, Risk and Audit Committee on the Draft Witzenberg Annual Report for 2015/2016 be noted.

UNANIMOUSLY RESOLVED

that the report by the Performance, Risk and Audit Committee on the Draft Witzenberg Annual Report for 2015/2016 be noted.

8.1.5 Performance, Risk and Audit Committee: 2nd Bi-Annual Report on Performance Management: 2015/2016 (5/14/4)

The following items refer:

- (a) Item 6.2.4 of the Performance, Risk and Audit Committee meeting, held on 17 January 2017.
- (b) Item 7.1.3 of the Executive Mayor and Mayoral Committee meeting, held on 20 January 2017.

The Second Bi-Annual Report of the Performance, Risk and Audit Committee to Council on Performance Management for 2015/2016 is attached as **annexure 8.1.5**.

Legislative framework

In terms of the Local Government Municipal Planning and Performance Management Regulations, 14(4)(a), "A performance audit committee must –

- (i) review the quarterly reports submitted to it in terms of sub-regulation (1) (c) (ii);
- (ii) review the municipality's performance management system and make recommendations in this regard to the council of the municipality; and
- (iii) at least twice during a financial year submit an audit report to the municipal council concerned.

The Performance, Risk and Audit Committee unanimously resolved on 17 January 2017 to recommend to the Executive Mayor, Mayoral Committee and Council that the Executive Mayor, Mayoral Committee and Council, in order to improve the functionality, compliance and reliability of the Performance Management System, management should embrace the recommendations by Internal Audit and ensure continuous monitoring to address the control deficiencies.

The Executive Mayor and Mayoral Committee resolved on 20 January 2017 to recommend to Council that the Executive Mayor, Mayoral Committee and Council, in order to improve the functionality, compliance and reliability of the Performance Management System, management should embrace the recommendations by Internal Audit and ensure continuous monitoring to address the control deficiencies.

UNANIMOUSLY RESOLVED

that notice be taken of the Performance, Risk and Audit Committee 2nd Bi-Annual Report on Performance Management for 2015/2016 and same be accepted.

**8.1.6 Report of Performance, Risk and Audit Committee as at 30 June 2016 (annexure to Annual Report 2015/2016)
(5/14/4)**

The following items refer:

- (a) Item 6.4.8 of the Performance, Risk and Audit Committee meeting, held on 17 January 2017.
- (b) Item 7.1.4 of the Executive Mayor and Mayoral Committee meeting, held on 20 January 2017.

The final report of the Performance, Risk and Audit Committee as at 30 June 2016 is attached as **annexure 8.1.6**.

The Performance, Risk and Audit Committee resolved on 17 January 2017 to recommend to the Executive Mayor, Mayoral Committee and Council that the Executive Mayor, Mayoral Committee and Council take notice of the report of the Performance, Risk and Audit Committee for the financial year ended 30 June 2016 and accept same.

The Executive Mayor and Mayoral Committee resolved on 20 January 2017 to recommend to Council that Council takes notice of the report of the Performance, Risk and Audit Committee for the financial year ended 30 June 2016 and accepts same.

UNANIMOUSLY RESOLVED

that Council takes notice of the report of the Performance, Risk and Audit Committee for the financial year ended 30 June 2016 and accepts same.

8.2 Direktooraat Tegniese Dienste / Directorate Technical Services

**8.2.1 Appeal in terms of Section 62 of Municipal Systems Act against resolution of Committee for Technical Services in respect of erf 3488, Bella Vista, Ceres
(15/04/11/176)**

The following report, dated 18 January 2017, was received from the Municipal Manager:

“Introduction

To consider an appeal received from Mr Denver Abrahams against resolution 6.17 of the Committee for Technical Services, dated 21 September 2016.

Deliberation

The Committee for Technical Services resolved on 21 September 2016 not to approve the consent use application of Mr Abrahams to use the premises situated at erf 3488, Bella Vista, Ceres as a place of entertainment for the youth. Mr Abrahams has lodged an appeal against the decision. The relevant documentation is attached as **annexure 8.2.1**.

In terms of Section 62 of the Municipal Systems Act the appeal authority that must consider the appeal will be a committee of councillors who were not involved in the decision and appointed by the municipal council when the decision was taken by a political structure.

Council is requested to appoint the committee of councillors to consider the appeal.”

Council decided that the chief whips of the various political parties will meet to establish a criteria for the Appeal Committee. This criteria will be tabled at the next council workshop for discussion.

The following recommendation was tabled to Council:

that a committee of councillors be appointed to consider the appeal.

RESOLVED

that the matter regarding the appeal in terms of Section 62 of Municipal Systems Act against the resolution of the Committee for Technical Services in respect of erf 3488, Bella Vista, Ceres will stand over until the establishment of an Appeal Committee that will finalise the matter of the said erf in Bella Vista, Ceres.

8.3 Direktoraat Gemeenskapsdienste / Directorate Community Services

None

NOTED

8.4 Direktoraat Korporatiewe Dienste / Directorate Corporate Services

None

NOTED

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA

**9.1 Establishment of ward committees
(3/3/1/5)**

A memorandum from the Manager: IDP, dated 16 January 2017, is attached as **annexure 9.1**.

Council had a lengthy debate on this matter, especially nominations for the ward committees.

Councillor JT Phungula requested that nominations from farms must form part of the committees.

Councillor P Heradien mentioned that ICOSA does not accept the report, because councillors were not informed and neither were they part of the process. The matter was not done from the office of the Speaker, but from the IDP office.

Councillor DM Jacobs mentioned that ward committees should be community based and not party based.

Council decided to accept the nominees for the ward committees being made.

Councillor P Heradien, on behalf of ICOSA, requested that it be minuted that the said party does not agree and accept the outcomes of the report and the decision of Council.

RESOLVED

- (a) *that notice be taken of the nominees for the ward committees being made and that same be accepted.*
- (b) *that the vacant positions in a ward committee where no nominees were made be filled with nominees from the neighbouring voting district (VD) of that ward.*

9.2 Determination of upper limits of salaries, allowance and benefits of councillors according to Government Gazette no. 40519 (5/11/1)

The following documents are attached

- (a) Memorandum from Chief Financial Officer, dated 24 January 2017: **Annexure 9.2(a)**
- (b) Government Gazette no. 40519, dated 21 December 2016: **Annexure 9.2(b)**
- (c) SALGA circular 30/2016, dated 21 December 2016: **Annexure 9.2(c)**
- (d) Letter to SALGA: **Annexure 9.2(d)**
- (e) Detail of adjustment and councillor allowances: **Annexure 9.2(e)**

UNANIMOUSLY RESOLVED

- (a) *that notice be taken of the matter in respect of the determination of upper limits of salaries, allowances and benefits of different members of municipal councils.*
- (b) *that Council notes the content of Government Gazette no. 40519 of 21 December 2016.*
- (c) *that the Municipal Manager corresponds with SALGA to highlight the problems currently experienced by Council with regard to the content of Government Gazette no. 40519 of 21 December 2016.*

10. FORMAL AND STATUTORY MATTERS

None

NOTED

11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS

11.1 Swimming pool: Nduli, Ceres

Councillor JT Phungula (ANC) and Councillor DM Jacobs (EFF) complained with regard to the condition of the swimming pool in Nduli, Ceres and expressed their unhappiness that the problem has not yet been solved. They mentioned that the behaviour of the people at the swimming pool in the Island Resort towards the inhabitants of Nduli and also the verbal insults are unacceptable.

Councillor Jacobs requested on behalf of the Nduli councillors a written report in respect of the matter at the next council meeting.

NOTED

11.2 Opening of schools

Councillor R Simpson referred to an article about the opening of schools in the local newspaper and the visits paid by DA councillors. On his complaints that ANC councillors were not invited the Executive Mayor responded that the Senior Public Relations Officer had sent an e-mail to all councillors in this regard.

NOTED

12. COUNCIL-IN-COMMITTEE