

# ENDUMENI MUNICIPALITY

**MINUTES** of an **ORDINARY MONTHLY** meeting of the **EXECUTIVE** Committee held in the Council Chamber, Civic Centre, 64 Victoria Street, DUNDEE on **MONDAY, 30 AUGUST 2010** at **15h00**

## **PRESENT**

### **Executive Committee:**

Cllr Ms W N Mbatha (Chairperson – Mayor)  
Cllr A M Raubenheimer (Deputy Mayor)  
Cllr Ms R T Nukani

### **Councillors:**

Cllr E M Adam  
Cllr P M Bislam  
Cllr P G Mabilisa (From 15h15)  
Cllr T B Mkhize  
Cllr A M Mthembu  
Cllr S E Ndimma  
Cllr Ms D P Nkosi  
Cllr D Singh  
Cllr Ms J A Tshabalala (From 15h10)

### **In Attendance:**

Mr I Grisdale	Acting Municipal Manager
Mr S Perumall	Manager Corporate Services
Mr C J Carelse	Acting Manager Technical Services
Mr A J van Wyk	Head: Administration
Mr C J Retief	Head: Legal & Estates
Ms B A Mbatha	Assistant Head: Admin - Dundee



1. **Opening**

Cllr S E Ndima opened the meeting with prayer.



2. **Applications for Leave of Absence**

**RESOLVED**

**THAT** it be noted that the Acting Municipal Manager, Mr J B Maltman, did not attend the meeting due to a family crises.



3. **Official Announcements by Speaker/Chairperson/Municipal Manager**

The Acting Municipal Manager advised that with the renewal of the Council's insurance, the insurance for Councillors in respect of an accidental death has been increased from R500 000 to R600 000.

The Mayor advised that Umzinyathi District Municipality judged the different local authorities on how effective they were with the PVA's.

Endumeni Municipality won a trophy and a certificate coming first for the best organized municipality when arranging for the Soccer 2010 PVA's.



**GENERAL**

The Mayor advised that she is the Chairperson of the Finance Portfolio Committee and that there was no official to take Minutes. On 23 August 2010 there was a Finance Portfolio Committee meeting and although they waited for 10 minutes no official arrived to take the Minutes.

The Chief Financial Officer had to take Minutes and to answer enquiries from the Committee members.

The Mayor enquired who did the Minutes for the Finance Portfolio Committee. The Mayor was of the opinion that the official is not doing his/her work.

Cllr P M Bisram advised that certain minutes reflected the bad use of the English language.

Cllr Ms R T Nukani was of the opinion that the Council was protecting the officials but that they were not doing the same for the Council.

She was of the opinion that the manager should account for his department if Minutes are not written.

Cllr P G Mabilisa expressed his concern about the grammatical errors in some of the Minutes.

The Manager Corporate Services advised that his department is responsible for taking the Minutes of the Portfolio Committees, Exco and Council.

The following persons were responsible for taking Minutes:

Finance Portfolio Committee	:	Ms B A Mbatha
Municipal Manager Portfolio Committee	:	Mr A J van Wyk
Corporate Services Portfolio Committee	:	Mr A J van Wyk
Technical Services Portfolio Committee	:	Mr N B Rose
Ward Committees	:	Mr S M Sikhakhane
Exco & Council Minutes	:	Mr A J van Wyk
Audit Committee	:	Mrs S Viljoen
Hostel Committee	:	Mr J A du Plessis

After further discussion, it was

**RESOLVED**

**THAT** the discussions on the persons responsible for taking Minutes of the Council's Committees be noted.



**GRIEVANCE: MS B T SHONGWE**

The Mayor tabled the attached letter received from Ms B T Shongwe.

The Mayor afforded each Councillor to comment on the attached letter.

The Councillors were of the opinion that the grievance was a serious one and that it should be investigated.

The Head: Legal & Estates advised the Council that in terms of the Council's grievance procedures the Head of Department should investigate the matter.

**RESOLVED**

**THAT** the Manager Corporate Services in consultation with the Head of the Department of Finance investigate the grievance as attached to the Minutes.



**COMPLAINT BY THE MAYOR**

The Mayor advised that the working relationship between her and the Assistant Manager Disaster Management had broken down which was an unacceptable situation.

She further advised that the General Worker in the Corporate Services Department entertained persons in the kitchen which was unacceptable. She further encountered problems with her cleaning the offices.

She further advised that officials were congregating in Room 3 and that the Chief Financial Officer should attend to the matter.

**RESOLVED**

**THAT** the Manager Corporate Services address the problems in his Department relating to the Assistant Manager Disaster Management and the General Worker who occupies the kitchen and that the Chief Financial Officer attend to the congregation of officials in Room No. 3.



4. **Minutes of the Previous Meeting**

**RESOLVED**

**THAT** the minutes of the following meeting of Exco be approved:

Ordinary Monthly Meeting: 28 July 2010



5. **Questions of Which Notice Has Been Given**

Nil



6. **Reports of the Executive Committee**

Nil



7. **Petitions**

Nil



8. **Motions**

See Item D 01/16/08/10



9. **Presentations**

See Items B 05/16/08/10 and B 06/16/08/10



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# Part A

## MATTERS FOR INFORMATION ONLY

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A 02/16/08/10-1 COUNCILLORS ATTENDANCE OF COUNCIL AND EXCO MEETINGS (C7/1)

RESOLVED

THAT the report regarding the Councillors attendance of Council and Exco meetings be noted.



A 02/16/08/10 Monthly Reports

A 02/16/08/10-2 MONTHLY REPORT: TRAFFIC (T4/6)

RESOLVED

THAT the monthly report in respect of Traffic for the month July 2010 be noted.



A 02/16/08/10-3 MONTHLY REPORT: TESTING STATION (T4/1)

RESOLVED

THAT the monthly report in respect of the Testing Station for the month of July 2010 be noted.



A 02/16/08/10-4 MONTHLY REPORT: DISASTER MANAGEMENT (F2/1)

RESOLVED

THAT the monthly report in respect of Disaster Management for the month of July 2010 be noted.



A 02/16/08/10-5 MONTHLY REPORT: RURAL METRO (F2/6)

**RESOLVED**

**THAT** the monthly report, received from Rural Metro, in respect of Fire and Disaster Management for the month of July 2010 be noted.



A 02/16/08/10-6 MONTHLY REPORT: TALANA MUSEUM (M4/4)

**RESOLVED**

**THAT** the monthly report in respect of Talana Museum for the month of July 2010 be noted.



A 02/16/08/10-7 MONTHLY REPORT: DUNDEE PUBLIC LIBRARY (L4/2/1)

**RESOLVED**

**THAT** the monthly report in respect of the Dundee Public Library for the month of July 2010 be noted.



A 02/16/08/10-8 MONTHLY REPORT: GLENCOE PUBLIC LIBRARY (17/4/6)

**RESOLVED**

**THAT** the monthly report in respect of the Glencoe Public Library for the month of July 2010 be noted.



A 02/16/08/10-9 MONTHLY REPORT: WASBANK PUBLIC LIBRARY (L4/3/1)

**RESOLVED**

**THAT** the monthly report in respect of the Wasbank Public Library for the month of July 2010 be noted.





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**Part B**  
**MATTERS RESOLVED**  
**BY COMMITTEE**  
**UNDER DELEGATED POWERS**

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**MUNICIPAL MANAGER**

**B 01/16/08/10-1**    **MINUTES OF AUDIT COMMITTEE MEETING – 29 JULY 2010**    **(A8/4)**

**RESOLVED**

**MM**                    **THAT** the Audit Committee Minutes for the meeting held on 29 July 2010 be adopted.



**B 01/16/08/10-2**    **WARD 6 WARD COMMITTEE MEETING**    **(B3/4)**

**RESOLVED**

**MM**                    **THAT** letters be issued to the following members in order for them to explain their availability/unavailability to being ward committee members, in compliance with the principles of good governance, transparency and “audi alterem partem-rule”:

1.    Ms M Chalmers            Forestdale
2.    Mr C Nelson                Forestdale
3.    Ms L Nhlebela             Dewaar
4.    Ms R Gopie                 Peacevale



**B 01/16/08/10-3**    **DEBT COLLECTION**    **(A1/3)**

**RESOLVED**

**THAT**

- MM**  
**CFO**
1.    The action taken by the Acting Municipal Manager to issue the requisite notices in respect of 350 accounts in which various organs of state owe the Council R11.6 million be condoned, and if necessary the matter be handed over to Council’s attorneys for collection;

2. The action taken by the Acting Municipal Manager to issue the requisite notices in respect of accounts in which various organs of state and farmers owe the Council R1.4 million be condoned, and if necessary accounts be handed over to Council's attorneys for collection;
- 3.1 The Endumeni Municipality note GG notice 841 issued on 13 June 2003 and as a consequence of the said notice the Umzinyathi District Municipality/MEC local Government WSA and or Uthukela water WSP is in arrears in respect of operational expenditure for periods of more than 30 days, as contemplated by section 64(3) of the Local Government: Municipal Finance Management Act 56 of 2003. Accordingly, the Endumeni Municipality is obliged by the provisions of section 64(3) to inform the National Treasury of that situation as per the attached schedule appended to the minutes indicating such arrears in the amount of R17 068 623.59 as at 30 June 2010;
- 3.2 In the normal course, the Endumeni Municipality would at this stage institute legal proceedings to recover the outstanding amount. However, as an Organ of State, the Endumeni Municipality is obliged to make every reasonable effort to prevail upon the debtor to settle the outstanding amount before resorting to judicial proceedings to do so. For this reason, Endumeni Municipality shall now call upon said juristic persons to settle the arrears of R17 068 623.59. By no later than 30 days from the date of notice;
- 3.3 As Umzinyathi District Municipality or Successors in Title have not at any stage queried the accounts that Endumeni Municipality have sent or approached Municipality to verify any items debited on those accounts, Endumeni Municipality feel entitled to assume that the amounts in question and liability to pay such are not disputed by Umzinyathi District Municipality or successors in title. If, however, Endumeni Municipality are wrong in this assumption and Umzinyathi District Municipality or successors in title do indeed dispute the amount or liability to pay it, Umzinyathi District municipality or successors in title are to be invited to inform Endumeni Municipality of their contentions in this regard so that Endumeni Municipality can be put in a position to attempt to negotiate with Umzinyathi District Municipality or successors in title a resolution of the dispute and to arrive at a settlement of the dispute as contemplated by section 41(2) of the Intergovernmental Relations Framework Act 13 of 2005. Failing the successful resolution and settlement of the dispute in that manner, the Municipality shall be obliged to formally declare a dispute in terms of the Intergovernmental Relations Framework Act 13 of 2005 so that the processes provided for in that Act can be exhausted. At the effluxation of the foregoing, authority be granted to the Acting Municipal Manager to institute legal action via Council's Attorney's to recover the outstanding amount;

- 4.1 The Endumeni Municipality note GG notice 841 issued on 13 June 2003 and as a consequence of the said notice the Umzinyathi District Municipality/MEC local Government WSA and or Uthukela water WSP is in arrears in respect of transfer of assets and liabilities for periods of more than 30 days, as contemplated by section 64(3) of the Local Government: Municipal Finance Management Act 56 of 2003. Accordingly, the Endumeni Municipality is obliged by the provisions of section 64(3) to inform the National Treasury of that situation as per audited Endumeni Financial statements 2008/2009 such arrears in the amount of R6 216 612.00 are now due;
- 4.2 In the normal course, the Endumeni Municipality would at this stage institute legal proceedings to recover the outstanding amount. However, as an Organ of State, the Endumeni Municipality is obliged to make every reasonable effort to prevail upon the debtor to settle the outstanding amount before resorting to judicial proceedings to do so. For this reason, Endumeni Municipality shall now call upon said juristic persons to settle the arrears of R6 216 612.00. By no later than 30 days from the date of notice;
- 4.3 As Umzinyathi District Municipality or Successors in Title have not at any stage queried the accounts that Endumeni Municipality have sent or approached Municipality to verify any items debited on those accounts, Endumeni Municipality feel entitled to assume that the amounts in question and liability to pay such are not disputed by Umzinyathi District Municipality or successors in title. If, however, Endumeni Municipality are wrong in this assumption and Umzinyathi District Municipality or successors in title do indeed dispute the amount or liability to pay it, Umzinyathi District municipality or successors in title are to be invited to inform Endumeni Municipality of their contentions in this regard so that Endumeni Municipality can be put in a position to attempt to negotiate with Umzinyathi District Municipality or successors in title a resolution of the dispute and to arrive at a settlement of the dispute as contemplated by section 41(2) of the Intergovernmental Relations Framework Act 13 of 2005. Failing the successful resolution and settlement of the dispute in that manner, the Municipality shall be obliged to formally declare a dispute in terms of the Intergovernmental Relations Framework Act 13 of 2005 so that the processes provided for in that Act can be exhausted. At the effuxation of the foregoing, authority be granted to the Acting Municipal Manager to institute legal action via Council's Attorney's to recover the outstanding amount.



**B 01/16/08/10-4** **APPOINTMENT OF CHIEF ACCOUNTANT (INCOME) AND SENIOR CLERK** (P3/16)

**RESOLVED**

**CFO  
HRO**

**THAT** the following posts be created and included in Council's organogram in the Finance Department to assist with the debt collection function and that same be filled as soon as possible by advertising internally and externally:

1. Senior Accountant (Income/Debt Collection) - Task Salary Scale 13;
2. Senior Clerk (Income/Debt Collection) – Task Salary Scale 9.



**B 01/16/08/10-5** **APPOINTMENT OF CONSULTANTS: COMMUNICATION- AND LED MANAGERS' APPOINTMENTS** (P3/16)

**RESOLVED**

**MM  
CFO**

**THAT** the action of the Acting Municipal Manager by appointing Sabalala Africa per sec 35 of SCM Policy to undertake the appointment of the Communication- and LED Managers at a total cost of R30 000.00, inclusive of travelling, be approved by the Council.



## **CORPORATE SERVICES**

**B 02/16/08/10-1** **SAMA NATIONAL CONFERENCE: 26-29 SEPTEMBER 2010** (M4/2)

**RESOLVED**

**MC  
CFO**

**THAT** Ms P N McFadden and Mr B Masuku be delegated to attend the 74<sup>th</sup> SAMA National Conference to be held in Durban on 26 to 29 September 2010 and that the registration fees of R1 450.00 per person and the normal subsistence and travelling allowance be paid.



## **FINANCE**

**B 03/16/08/10-1** **ACCOUNTS PAID** (F1/4)

**RESOLVED**

**CFO**

**THAT** the bank reconciliation for the month of July 2010 together with the schedule of accounts paid for the month of July 2010, as well as the reports submitted in terms of Government Gazette No. 18435 be approved and confirmed.



## TECHNICAL SERVICES

**B 04/16/08/10-1**     **STREET LIGHT ATTENDANT: J A VORSTER**     (Staff)

**RESOLVED**

**MTS**     **THAT** special leave be granted to Mr J A Vorster to attend the training course and test to become a qualified electrician at Olifantsfontein as from 6 September 2010 to 6 October 2010.



**B 05/16/08/10**     **LIQUOR LICENCE APPLICATION PROCEDURES**     (L5/1)

**RESOLVED**

**HHS**     **THAT** this item be withdrawn from the Agenda.



**B 06/16/08/10**     **PRESENTATION: SECTION 78 ASSESSMENT OF UTHUKELA WATER (PTY) LIMITED**     (P3/18)

**RESOLVED**

**MM**     **THAT** this item be withdrawn from the Agenda.



**B 07/16/08/10**     **PREPARATION FOR THE 2011 LOCAL GOVERNMENT ELECTION**     (C7/6)

**RESOLVED**

**MM**     **THAT** Circular No. 10 of 2010 received from Department of Co-operative Governance & Traditional Affairs in respect of preparation for the 2011 Local Government Election, be noted.



**B 08/16/08/10**     **SCM REPORT 2009/2010 ENDUMENI MUNICIPALITY**     (L3/3/22)

**RESOLVED**

**THAT**

- MM**
1. The Endumeni Municipality note Supply Chain Management report for the fiscal year 2009/2010;
  2. The Endumeni Municipality further note appointment an Independent person per Section 50 of SCM Policy to investigate the Award of Bid 26/21010



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# Part C

## MATTERS REFERRED TO COUNCIL FOR CONSIDERATION

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### CORPORATE SERVICES

C 02/16/08/10-1 SALE OF ERF 5363, DUNDEE: SUNSET BEACH TRADING CC:  
APPLICATION FOR WAIVER OF PRE-EMPTIVE RIGHT  
{T3/6/3 (5362-5364)}

#### RESOLVED TO RECOMMEND

**AHL&E** THAT Council resolution C 02/17/05/10-11 paragraph 5, dated 19 May 2010, be amended by the substitution of the reference to “Erf 5362, Dundee” with the reference “Erf 5364, Dundee”, as Erf 5362 is already in private ownership.



C 02/16/08/10-2 PROPOSED DEVELOPMENT: DONALD McHARDY DAM:  
PORTION OF ERF 1638, GLENCOE (L1/7, 1638)

#### RESOLVED TO RECOMMEND

#### THAT

- AHL&E**
1. The submission from the Feasey Property Group Ltd, regarding a proposed development on a portion of Erf 1638, Glencoe, being the Donald McHardy Dam recreation area, be noted;
  2. It being noted that the contents of Section 14 of the Municipal Finance Management Act No. 56 of 2003 requires that all sales and/or leases of land is to be undertaken by a process that is fair, equitable, transparent, competitive and consistent with the Council’s Supply Chain Management Policy;
  3. In view of the above said statutory requirements, the Feasey Property Group Ltd be advised that their submission for the proposed development at the Donald McHardy Dam can unfortunately not be considered favourably at this stage, but that they will be required to formally submit a similar proposal thereon when the Council, in terms of its supply chain management process, calls for development proposals for the area;

4. An assessment be made of the relevant statutory requirements in order for Council to make available the current recreation area at the Donald McHardy Dam, located upon a portion of Erf 1638, Glencoe, for development, and that all relevant stakeholders be requested to give their inputs thereon;
5. A further report on the possible development of the recreation area at the Donald McHardy Dam be submitted to the Council for proper consideration in due course;
6. The proposal to develop the Donald McHardy Dam received from Feasey Property Group Limited (FPG) be submitted to the Umzinyathi District Council for comments.



## FINANCE

**C 03/16/08/10-1 ACTING ALLOWANCE: ACTING MUNICIPAL MANAGER (Confidential)**

**RESOLVED TO RECOMMEND**

**THAT**

**CFO**

1. An acting allowance be paid to a Head of Department acting in the position of Municipal Manager for a period of ten working days or more;
2. The acting allowance in 1 above be calculated as follows:  
  

$$\frac{\text{Salary package of manager acting} \times \text{number of days}}{250} \times 10\%$$
3. The acting Municipal Manager be authorised to appoint an acting Municipal Manager in his absence for any reason, with the proviso that, should such period be for ten (10) working days or more, such appointment be made in consultation with the Mayor.



**C 03/16/08/10-2 WRITE OFF OF ASSETS (A6/2)**

**RESOLVED TO RECOMMEND**

**CFO**

**THAT** Council approve the write off of assets to the book value of R86 321.58 as listed on annexure "A" attached to the Portfolio Committee's agenda.



**C 03/16/08/10-3 WRITE OFF OF IRRECOVERABLE DEBT (A1/3)**

**RESOLVED TO RECOMMEND**

**THAT**

- CFO**
1. Council write off the amounts as indicated on annexure "A" and "B", as attached to the Portfolio Committee's agenda, totaling R13 232.13;
  2. The amount be written off against the provision for bad debt.



**C 03/16/08/10-4 ANNUAL STORES STOCKTAKE 1, 2 AND 5 JULY 2010 WRITE OFF OF SHORTAGES AND ADJUSTMENTS FOR SURPLUSES (S10/1)**

**RESOLVED TO RECOMMEND**

**THAT**

- CFO**
1. Council approve the write off of the stock shortages to the value of R26 074.43 as indicated on annexure "A" attached to the Portfolio Committee's agenda;
  2. Council approve the adjustments of the stock surpluses to the value of R24 937.52 as indicated on Annexure "A" attached to the Portfolio Committee's agenda.



**C 03/16/08/10-5 BUDGET 2011/2012: TIME SCHEDULE (F1/1)**

**RESOLVED TO RECOMMEND**

**CFO** **THAT** Council approve the 2011/2012 Budget Programme Time Schedule as per the attached schedule to the Portfolio Committee's agenda.



**C 03/16/08/10-6 MUNICIPAL OWNED HOUSING (H1/1)**

**RESOLVED TO RECOMMEND**

**CFO** **THAT** Council requests the Chief Financial Officer to address a letter to the Chief Director, MFMA Implementation, National Treasury, requesting advice as to whether it would contrary to the MFMA and Council's Supply Chain Management Policy should Council's houses be sold to the existing occupants at the market related prices, as determined by Council's valuator, and not proceed via a bidding process.





To appoint the correct person, same would need to have an appropriate qualification and be able to address the needs of the Council and the community.

He further advised that 19 persons applied for the position of which a number was late applications and others who did not have the necessary qualifications or completed the required application forms.

Eventually three persons were interviewed.

He advised that he interviewed the three people of which two persons scored average rates while the third individual scored a higher mark.

He was looking for a person who understood the legal framework of local authorities and who understood the processes in local authorities. He further looked at the decision making process of the applicants through the questions that he asked.

He advised that any of the applicants are welcome to query him as he can explain the reasons for his actions.

He further advised that the processes involved with the appointment was transparent and legal.

In conclusion he advised that Mr P G Mabilisa had been the best candidate and should be appointed.

The Mayor thanked Mr Ntombela who was then recused from the meeting.

**RESOLVED TO RECOMMEND**

**THAT**

**MM  
CFO  
HRO**

1. The presentation by Mr Ntombela regarding the appointment of the Council's Communications Manager be noted;
2. It be noted that, in terms of Council's Recruitment & Selection Policy, Mr P G Mabilisa was appointed as Communications Manager.



**C 06/16/08/10**

**APPLICATION TO USE SWIMMING POOL AT IMPUMELELO STADIUM** (N1/1/4)

**RESOLVED TO RECOMMEND**

**AMSD**

**THAT** the application received from ms L E Sikhosana to use the swimming pool at the Impumelelo Stadium for a party be approved subject thereto that Ms L E Sikhosana pay a hiring fee of R2 000.00 and that she indemnify the Council against any injury or death that may occur and further that she appoint life savers on the day of the party.



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**Part D**  
**MOTIONS**

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**D 01/16/08/10**      **MOTION: ELECTRONIC FILING SYSTEM & DISASTER  
MANAGEMENT PLAN**      (C7/10)

**RESOLVED TO RECOMMEND**

**MCS**      **THAT** the Manager Corporate Services submit a full report on the Council's Electronic Filing System and the Council's Disaster Management Plan at the next meeting.



There being no further matters for consideration, the Chairperson declared the meeting closed at **16h50**

**Mayor – Chairperson:** .....

**Date:** .....