<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION; PRESENTATION BY DIPLOMATIC &amp; EXECUTIVE NETWORKING</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council resolved to acknowledge the presentation by DENC</td>
<td>C14/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council resolved that the presentation be brought to its attention for consideration in an Item form</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Council resolved that a date for special council will be secured to discuss the presentation in detail</td>
<td></td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: MINUTES OF ORDINARY COUNCIL HELD ON 11 JULY 2019</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>d) Council resolved to defer the Minutes of the Council meeting held on 11 July 2019 to the next ordinary council meeting</td>
<td>C15/2019</td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. O.A LOSABA  
MUNICIPAL MANAGER
C01/08/2019 PROGRESS REPORT ON THE IMPLEMENTATION OF COUNCIL RESOLUTIONS

1. PURPOSE

To present to the Municipal Council the report on the progress made on the implementation of Council Resolutions.

2. BACKGROUND

Council must on a regular basis be provided with progress reports on the implementation of its resolutions in order to monitor progress, intervene where there is a need and give feedback to communities.

Rule 68 on the Standing Orders of Council States that "In respect of resolutions or requests minuted in the minutes of a previous meeting, the Municipal Manager must submit a progress report listing such items that do not appear in the agenda for discussion and the reasons for it to be noted by Council.

Municipal Councils are mandated by the Constitution to ensure that the provision of services to communities are done in a sustainable manner and therefore continuous update on the implementation of Council Resolutions is of vital importance.

3. FINANCIAL IMPLICATIONS

None

4. LEGAL IMPLICATIONS

None

5. PORTFOLIO COMMITTEE OUTCOME

That the Municipal Council note the Progress Report on the implementation of Council Resolutions.

That Councillors be urged to submit motions if more clarity is sought on the status of any of the Council Resolutions

6. ANNEXURE

Resolutions Tracking Register
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PROGRESS REPORT ON THE IMPLEMENTATION OF COUNCIL RESOLUTIONS</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the Progress Report on the implementation of Council Resolutions.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) Council resolved that councillors be urged to submit motions if more clarity is sought on the status of any of the Council Resolutions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Council resolved that all the departments must submit their reports within 30 days</td>
<td></td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C02/08/2019 LITIGATIONS FOR AND AGAINST MUNICIPALITY

1. PURPOSE

For Municipal Council to take note of the Litigation Register Report for and against the Ngaka Modiri Molema District Municipality

2. BACKGROUND

2.1. This item is submitted as a standing Item on litigations for and against the District Municipality to keep councillors informed of which cases have been lodged by officials and service providers and also which ones are being lodged by the District Municipality against officials and service providers.

2.2. It was further reported that the Senior Counsel’s Legal Opinion on the Azranite matter was received on the 05th of September 2017 and is considered.

2.3. It was also reported that the Unit has successfully and progressively engaged the Office of the Public Protector on issues related to yard connections and the Waste and Water Report. In addition to that a report was given on our engagement with the Office of the South African Human Rights Commission on the water crisis in Mokgola and a Mediation Agreement entered into.

2.4. We did report that we are in pursuit of two (2) Service Providers, namely:

2.4.1. Beyond Build JV, for poor workmanship on the Dinokana Water Supply Project (Attorney has been appointed) and

2.4.2. Izandla Development Projects/Richard Turner.

2.5. However, these low hanging fruits picked by the Advisory Support Unit rely on the cooperation and openness of User Departments such as the Public Works and Basic Services Department and the Finance Services in so far expeditious payments to Attorneys is concerned.

2.6. The following recommendations were made:

2.6.1. The CRSS Portfolio note the Final Litigation Register for and against the NMMDM.
2.6.2. The CRSS Portfolio consider as an item to a joint Financial Services and Corporate Resource Support Services payment schedule for Service

2.6.3. Provider more so Attorneys.

2.6.4. The CRSS Portfolio Committee consider as an item to a joint Public Works and Basic Services and Corporate Resource Support Services Portfolio Committee meeting disclosure of projects active and inactive with a reflection on the respective budgets and Expenditure to Date.

3. CURRENT MANAGEMENT OF LIGITATIONS

3.1. The La Diria Trading 03 CC matter sat before the High Court of South Africa, Mahikeng and a favorable outcome was reached between the two parties. The Unit has received eleven (11) new/resuscitated matters, namely:

3.1.1. Ouses Karline Matlaape obo Mosimanegape Matlaape
3.1.2. Mr. T.D.H Ramhele
3.1.3. Motsamai Nathaniel Boikanyo and 5 others
3.1.4. Van der Walt and Eljana Trust
3.1.5. Municipal Employees Pension Fund and Akanhi Retirement Fund
3.1.6. Rauco Trading
3.1.7 Illustrious Trading
3.1.8 Maxim Planning and Development
3.1.9 Organisation Undoing Tax Abuse (OUTA) (They are requesting information through PAIA for Groot Marico and Zeerust Waste Water Treatment Plant.
3.1.10 Naphtronics (Pty) Ltd, Azranite and Mototech. These matters were all dismissed in favour of the Municipality with costs and to date only Azranite has effected their cost order. We are pursuing cost orders against Mototech and Naphtronics. Naphtronics after the application was dismissed by North West High Court, they have since applied for an appeal at the Supreme Court of Appeal and we have challenged the application. The Supreme Court of Appeal has granted an order for this matter to be heard by the full bench of the North West High Court Division. Naphtronics applied to Supreme Court of appeal against the North West High Court order issued in our favour. The appeal has not been dismissed and they said they are approaching Constitutional Court.

Mototech, we received the cost order for R900 998-00, which the writ of execution has been issued to the Sheriff with commencement of attachment
processes, however the litigant requested to make payments in 3 equal installments. He has since paid R300 000-00. We have a court order against Mototech for R998 000-00 and they have paid R300 000-00 and the balance will be paid end of August 2019. Azranite we have a cost order for R1 458 000-00. We are still waiting for the sheriff to execute the warrant of execution against Azranite. Mototech has paid R600 000 and the balance will be paid end of August 2019.

Azranite have appealed the taxed amount (R1 458 000-00) and we are awaiting Court date. The Supreme Court of Appeal has dismissed application by Naphtronics with costs in favour of the Municipality and they have now indicated they are petitioning the Constitutional Court.

3.1.11 Olerato Trading and Enterprise. Olerato Trading and Enterprise issued a Letter of Demand for payment of R380 000-00, however in 2011, he signed settlement agreement of R91 500-00 as full and final settlement.

3.1.12 Quantibuild (Pty) Ltd instituted legal action against the Municipality for non-payment of services rendered, extension of works, and supervision as well as compensation.

3.1.13 JM Professionals instituted legal action against the Municipality for construction of VIP Toilets in Tswana. They were appointed for R39 299 347.99 and since date of appointment, they have never been given work, until 2018, when Cemforce was appointed to render the same work.

3.1.14 Tshenolo Resources instituted legal action against the Municipality for construction of Miga and Dimorogwane Water pipes. Since date of appointment, they have never been instructed to commence with the construction. Tshenolo Resources appeared before the High Court on 06 June 2019 and they withdrew the application with costs.

3.1.15 MEPF and Akani Retirement Fund against Dineo Mongwaketse and the NMMDM. This matter was before the Court on the 04 June 2019 and has been dismissed in favour of Dineo and the Municipality, but MEPF has since filed notice of leave to appeal to the Supreme Court of Appeal.

3.2 Ouses Karline Matlape

This matter relates to a claim for damages against the Ditsobotla Local Municipality and the NMMDM. It is a 2015 case where the Plaintiffs have claimed damages against the DLM for injuries incurred by Mosimanegape Matlape in and around a reservoir in
Ditsohotla. The Plaintiff has applied to join the NMMDM to the claim on the belief that we own the said Reservoir.

An Attorney has been appointed to represent the NMMDM in the matter. We are contesting the claim. The Municipal Attorneys are in the process of compiling a plea and misjoinder with Ditsohotla Local Municipality for the claim of R5,5 Million.

This matter is going for pre-trial on the 11th February 2019. At the pre-trial it was struck off the court roll.

3.3 Mr. T.D.H Ramphele

Mr T.D.H Ramphele was employed as the Municipal Manager of the NMMDM from 14 June 2007. Following his appointment, he was subjected to a disciplinary enquiry and dismissed from his duties as the Municipal Manager on the 02nd of February 2009.

MR. Ramphele challenged his dismissal by way of a review application in the Labour Court of South Africa and on the 28th of April 2010, the Court through an order found in his favour and ordered a reinstatement with full benefits with effect from the date of dismissal alternatively ordered that Mr. Ramphele be compensated for the balance of his fixed term contract. Armed with the same order, Mr. Ramphele obtained a writ of execution from the Registrar of the Labour Court on 20 May 2010.

However, the NMMDM successfully applied for an order suspending the execution of the writ of execution pending its application for rescission of the judgment he received in his favour on the 28th of April 2010. The suspension order was duly granted on the 03rd of June 2010 and allowed the NMMDM to launch an application for rescission of the 28th of April 2010 judgment.

The NMMDM delayed in launching the rescission application and on the 17th of February 2011, Mr. Ramphele once more obtained a second writ of execution from the Registrar of the Labour Court to execute the judgment made on the 28th of April 2010. The 2nd Writ of Execution was set aside on the 11th of March 2011.

Following the setting aside of the 2nd Writ of Execution, on or about August 2011, the NMMDM engaged in a settlement negotiation in full and final settlement of the matter. The negotiation culminated in two separate agreements being entered into between the parties on the 10th of August 2011:
1. The first being payment of R 200 000.00 towards Mr. Ramphele and
2. The second being an agreement to pay 3 450 000.00 which was made in full and final settlement of the matter.

The upshot of the agreement is that the parties agreed that the termination of Mr. Ramphele's employment with the NMMDM will remain in full force and in lieu of his reinstatement he will receive R 3 450 000.00. This amount was paid to Mr. Ramphele.

Notwithstanding settlement of the dispute, on or above 12 November 2012 a period almost fifteen months after the settlement of the dispute, Mr. Ramphele addressed a letter to the NMMDM claiming an amount equal to the remainder of R 6 077 544.34 less 3 500 000.00 which was already paid to him. Despite the settlement of the dispute and subsequent to the letter, on the 04th of December 2012 he obtained a writ of execution and a Notice of Garnishee.

The conduct of Mr. Ramphele led to the NMMDM instituting on an urgent basis and application before the Labour Court seeking an order to set aside the writ of execution. Mr. Ramphele opposed the Application and the matter was heard before the Labour Court which granted judgment in the NMMDM's favour on 23 June 2014.

Mr. Ramphele not being happy with the judgment of the Labour Court on the 23rd of June 2014 sought leave to appeal to the Supreme Court of Appeal. His appeal was dismissed with costs as per the order pf the SCA which was granted on the 17th of November 2014. As a result, the judgment of the Labour Court on the 23rd of June 2014 remained in force and binding on all parties. However, Mr. Ramphele has once more sought a writ of execution on the 28th of April 2010 judgment.

We have applied to the Labour Court to set aside the writ of execution and seek punitive costs against Mr. Ramphele, the matter has been removed from the Court roll.

3.4 Motsamai Nathaniel Boikanyo and 5 others

This is an Application to review and set aside one remedial action of the Public Protector of South Africa in her report on an Investigation into allegations of maladministration, nepotism, fruitless and wasteful expenditure and purging of staff by the former Municipal Manager, Mr. Mojaki under Report 19 of 2016/17.

The review sought is largely on procedural grounds against the Public Protector of South Africa and the NMMDM on the basis that Council resolved under C 31/2017 to abide to
the actions and/or as an interested party to the proceedings. The matter is handled by
the Office of the Municipal Manager. The matter is set down for trial on the 17th of
March 2019.

3.5 Gaoranolwe Investment, Sunrise Electrical and Maqs Construction

All these matters have been settled full and final.

4. **RECOMMENDATION**

That Municipal Council notes the Litigation Register Report for and against the Ngaka
Modiri Molema District Municipality.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: LITIGATIONS FOR AND AGAINST MUNICIPALITY</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the Litigation Register Report for and against the Ngaka Modiri Molema District Municipality.</td>
<td>C17/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council resolved that in future, the report should indicate how many cases were finalized; how many are pending, and how many new cases have been registered, if there are any.</td>
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</tr>
</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C03/08/2019  CONTRACTS MANAGEMENT REGISTER

1. PURPOSE

To inform the Municipal Council about the Contract Management Register that the Unit had embarked on in order to monitor compliance and advice on the expiry date of the contracts and further answering the issues raised by the Auditor General.

2. BACKGROUND

During the audit conduct for the financial year 2016/2017 the Auditor General raised concerning contracts not being legally complaint and expire without being properly monitored and managed.

It is well known fact that contracts are not compliant and, not properly monitored, and service providers are not appraised of the expiry period, one month prior to the expiry of the contracts, which results in the Municipal contracts being, unnecessary extended without complying with the legislation.

3. RECOMMENDATIONS

a) That Mayoral Committee to note that the Contracts Management Register have been developed

b) That the Unit be involved in the developments of the contracts when the service providers are appointed.

c) That the Unit responsible for contracts be instructed to make available to Legal services for checks and balances.

4. ATTACHMENTS

Contracts Management Register 2019/2020
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: CONTRACTS MANAGEMENT REGISTER</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>
| 27 August 2019  | a) Council noted that the Contracts Management Register has been developed.  
                   b) Council resolved that the Legal Unit be involved in the developments of the contracts when the service providers are appointed. | C18/2019 |

CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. O.A LOSABA  
MUNICIPAL MANAGER
C04/08/2019

LABOUR RELATIONS LITIGATION REGISTER

1. PURPOSE

For municipal Council to take note of the Labour Relation Litigation Register for the Ngaka Modiri Molema District Municipality

2. BACKGROUND

2.1 This item is submitted as a standing item on labour relations litigations against the District Municipality to keep councillors informed of which cases have been lodged by officials against the District Municipality and the financial implications thereof.

2.2 This register will enlighten councillors about matters pending both at the South African Local Government Bargaining Council (SALGBC) for conciliation and arbitration and at the Labour Court for decision by the court which have financial implications for the municipality in an event that the municipality loses these cases.

3. RECOMMENDATION

a) That Municipal Council note the Labour Relation Litigation Register for the Ngaka Modiri Molema District Municipality.

b) That the Labour Relation Litigation Register be submitted to the Auditor General for audit as part of the municipality's contingent liabilities.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: LABOUR RELATIONS LITIGATION REGISTER</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the Labour Relation Litigation Register for the Ngaka Modiri Molema District Municipality.</td>
<td>C19/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council resolved that the Labour Relation Litigation Register be submitted to the Auditor General for audit as part of the municipality's contingent liabilities.</td>
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</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C05/08/08/2019 REVIEW OF SEVEN (7) HUMAN RESOURCES MANAGEMENT POLICIES

1. PURPOSE

The purpose of this item is to request Municipal Council to approve the current seven (7) Human Resources Management Policies following the Amendment of National and Local Government Legislation, Regulation on Appointment and Conditions of Employment of Senior Managers, Main Collective Agreement as well as the recommendations of Auditor General of South Africa.

2. BACKGROUND

Following the changes made in the National and Local Government Legislation, Regulation on Appointment and Conditions of Employment of Senior Managers, 2015/16 Wage Collective Agreement and 2015 – 2020 New Main Collective Agreement, It has become necessary that the Human Resources Management Policies need to be reviewed in order to comply with legislation. This will minimize Audit queries raised by both Internal Audit and Auditor general as well improves overall Human Resources Management Administration.

Currently the Human Resources Management Unit is guided by the Human Resources Manual which was approved by Council in 06 August 2012 (Council Resolution No. 30/2012), this document is outdated and has contradictory elements in terms of the current Collective Agreements hence measures to review policies ought to be taken within the municipality as a way forward to comply with legislation.

1. Recruitment and Selection Policy
2. Overtime Policy
3. Acting Policy
4. Skills Development and Training Policy
5. Performance Management Policy
3. RECOMMENDATION(S):

1. In light of the above background perspective it is recommended that Municipal Council consider and approve the reviewed four (4) Human Resources Management Policies and three (3) new ones enlisted below.

   1.1 Recruitment and Selection Policy
   1.2 Overtime Policy
   1.3 Acting Policy
   1.4 Skills Development and Training Policy
   1.5 Performance Management Policy
   1.6 Leave
   1.7 Placement policy

2. Council resolved that the contents of the above enlisted policies be rescinded from the existing Human Resources Management Manual after the adoption and approval of the seven (7) Human Resources Management Policies.

3. The policies to be work-shopped again.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: REVIEW OF SEVEN (7) HUMAN RESOURCES MANAGEMENT POLICIES</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council resolved to approve the reviewed four (4) Human Resources Management Policies and three (3) new ones enlisted below.</td>
<td>C20/2019</td>
</tr>
<tr>
<td></td>
<td>1. Recruitment and Selection Policy</td>
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<td></td>
<td>2. Overtime Policy</td>
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<tr>
<td>3. Acting Policy</td>
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<td></td>
</tr>
<tr>
<td>4. Skills Development and Training Policy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Performance Management Policy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Leave</td>
<td></td>
<td></td>
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<tr>
<td>7. Placement policy</td>
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</tbody>
</table>

b) Council resolved that the contents of the above enlisted policies be rescinded from the existing Human Resources Management Manual after the adoption and approval of the seven (7) Human Resources Management Policies.

c) Council resolved that councillors be workshopped once again about the policies.

---

**Cllr Y Sechoaro**
COUNCIL SPEAKER

**Mr. O.A Losaba**
MUNICIPAL MANAGER
C06/08/2019: APPOINTMENT OF AN ACTING CHIEF AUDIT EXECUTIVE (CAE)

PURPOSE

For the Council to condone the actions taken by the Municipal Manager in consultation with the
Executive Mayor by appointing Mr Simon Obuseng Oosthuys as an Acting Chief Audit Executive
for the Internal Audit Shared Services Department of Ngaka Modiri Molema District Municipality

BACKGROUND

Chief Audit Executive (CAE) position was identified by the Internal Audit as a critical position and a request was submitted to re-create and fill the position to enhance service delivery. The position was abolished in 2016. Since then, the Internal Audit Department did not have a senior manager who can take responsibility and account for the administrative leadership, assist and advise both the Municipal Manager and the Audit Committee.

It is based on the above that Council resolved (Resolution C67/2018) to create a Chief Audit Executive (Senior Manager reporting directly to the Municipal Manager) at its ordinary meeting held on the 30 August 2018. Since its creation, the position has been vacant, and the recruitment process unfolded but to date no appointment has been made.

The position was in the first instance, advertised initially on City Press on the 21st October 2018 and closed on 12 November 2018. Six (6) Applications were received. The shortlisted processes were conducted on the 06th of December 2018, where only 2 Applicants were shortlisted. The position was then re-advertised, and closing date was 01 March 2019 and the shortlisting took place on the 06th April 2019. Interviews were conducted on the 15th April 2019.

MOTIVATION

Chief Audit Executive as head of administration in the Internal Audit Shared Services Department is responsible and accountable for tasks and functions delegated by the Municipal Manager in terms of the Local Government: Municipal Systems Act, No. 32 of 2000 and Chapter 8 of the Local Government: Municipal Finance Management Act, No. 56 of 2003, including additional functions/tasks that are provided for in other pieces of legislation, as well as functions sub-delegated by the Municipal Council.

a) It is of paramount importance to appoint an Acting Chief Audit Executive to assist the Municipal Manager in performing administrative functions.

b) That the appointment of an Acting Chief Audit Executive is necessary to take the responsibilities of assisting and advising the Municipal Manager and the Audit Committee before the commencement of duties of the new Chief Audit Executive.
c) That the legislated and delegated responsibilities be performed to the latter by an acting chief audit executive who will be in total control of administration of the Internal Audit Department

RECOMMENDATION

RECOMMENDED

a) That the Council to condone the actions taken by the Municipal Manager in consultation with the Executive Mayor by appointing Mr Simon Obuseng Oostruis as an Acting Chief Audit Executive in terms of Section 56 (a) of the Municipal Systems Act, Act no. 32 of 2000

b) That Mr Oostruis possess a B.Tech. in Internal Auditing, with thirteen (13) years’ experience in internal auditing of which eight (8) years is at managerial (Audit Executive) position

c) That Mr Oostruis is appointed for a period not exceeding three months or until the assumption of duties by the substantive Chief Audit Executive, whichever comes first

d) That Mr Oostruis be paid an acting allowance in terms of the Acting Allowance Policy

e) That Council note municipality is still waiting for the concurrence from the MEC of Local Government, Human Settlements and Traditional Affairs for the substantive Chief Audit Executive, who is supposed to start duty on 1st September 2019.

ATTACHMENTS
a) Curriculum Vitae and B.Tech Degree

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: APPOINTMENT OF AN ACTING CHIEF EXECUTIVE (CAE)</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council condoned the actions taken by the Municipal Manager in consultation with the Executive Mayor by appointing Mr. Simon Obuseng Oostruis as an Acting Chief Audit Executive in terms of Section 56 (a) of the Municipal Systems Act, Act no. 32 of 2000</td>
<td>C21/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council noted that Mr Oostruis possess a B.Tech. in Internal Auditing, with thirteen (13) years’ experience</td>
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<tr>
<td>1.</td>
<td>In internal auditing of which eight (8) years is at managerial (Audit Executive) position</td>
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</tr>
<tr>
<td>c)</td>
<td>Council is appointed Mr Oosthuys for a period not exceeding three months or until the assumption of duties by the substantive Chief Audit Executive, whichever comes first</td>
<td></td>
</tr>
<tr>
<td>d)</td>
<td>Council resolved that Mr Oosthuys be paid an acting allowance in terms of the Acting Allowance Policy</td>
<td></td>
</tr>
<tr>
<td>e)</td>
<td>Council noted that municipality is still waiting for the concurrence from the MEC of Local Government, Human Settlements and Traditional Affairs for the substantive Chief Audit Executive, who is supposed to start duty on 1st September 2019.</td>
<td></td>
</tr>
</tbody>
</table>

**CLLRY SECHOARO**  
COUNCIL SPEAKER

**MR. O.A LOSABA**  
MUNICIPAL MANAGER
C07/08/2019

REPORT ON THE COMPILATION OF THE PROCUREMENT PLAN FOR 2019/20

1. PURPOSE

To inform Municipal Council about the procurement plan for the year 2019/20

2. LEGISLATIVE BACKGROUND

Circular 62 of the Municipal Finance Management Act of 2003 denotes the following: “Accounting officers of municipalities may, upon request, make available to the relevant treasury a procurement plan containing all planned procurement for the financial year, in respect of the procurement of goods, services and infrastructure projects which exceed R200 000 (all applicable taxes included) per case as described in the Supply Chain Management: Guide for Accounting Officers. This procurement plan must be approved by the accounting officer or his or her delegate.”

3. DISCUSSION

The Municipality has a signed procurement plan which contains 23 items which are scheduled to be procured in 2019/20 as directed by Circular 94 of the MFMA. The end user will submit the specifications as outlined in the plan to enable the process of procurement in time to improve on the performance of the scheduled procurement. The relevant information should preferably be furnished in the format contained in the Procurement Plan Template enclosed as Annexure A.

4. RECOMMENDATIONS

4.1. That the procurement plan be adopted

4.2. That end user Departments should submit their specifications in time to allow procurement to be done in the set timeframes.

4.3. That the report on the procurement plan be submitted quarterly.
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: REPORT ON THE COMPILATION OF THE PROCUREMENT PLAN FOR 2019/20</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council resolved that the procurement plan be adopted</td>
<td>C22/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council resolved that the end user Departments should submit their specifications in time to allow procurement to be done in the set timeframes.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Council resolved that the report on the procurement plan be submitted quarterly.</td>
<td></td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
CO8/08/2019  DEVIATION REGISTER / REGULATION 36 REPORT FOR
FOURTH QUARTER FINANCIAL YEAR 2018/19

1. PURPOSE
This serves as deviation register that results from emergency procurement section 36 (a)
(i)

2. BACKGROUND
1. A supply chain management policy may allow the accounting officer -
   (a) to dispense with the official procurement processes established by the policy and to
   procure any required goods or services through any convenient process, which may
   include direct negotiations, but only - (i) in an emergency.
   (b) to ratify any minor breaches of the procurement processes by an official or committee
   acting in terms of delegated powers or duties which are purely of a technical nature.
2. The accounting officer must record the reasons for any deviations in terms of sub-
   regulation (1) (a) and (b) and report them to the next meeting of the council and
   include as a note to the annual financial statements.

3. RECOMMENDATION
3.1. It is recommended that the Municipal Council notes deviation register in terms of
   section 36(2) sub-regulation (1) (a) (i) as listed on the above.
3.2. It is recommended that the Deviation register be noted as disclosure in the
   Annual Financial Statements.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: DEVIATION REGISTER / REGULATION 36 REPORT FOR FOURTH QUARTER FINANCIAL YEAR 2018/19</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the Deviation Register in terms of Section 36(2) sub-regulation (1) (a) (i) as listed above.</td>
<td>C23/2019</td>
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<tr>
<td></td>
<td>b) Council resolved that the Deviation Register be noted as disclosure in the Annual Financial Statements.</td>
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<td></td>
<td>c) Council resolved that the Deviation Register be referred to MPAC for investigations.</td>
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</tbody>
</table>

CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. OA LOSABA    
MUNICIPAL MANAGER
# C 09/08/2019: Time Schedule of Key Deadlines for 2020/21 Budget

## Year

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<td>1.6 Recommendations</td>
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</tbody>
</table>
1.1 **Purpose**

The purpose of this report is to comply with Section 21(1) of the Municipal Finance Management Act 56 of 2003 and regulation 4-35 of the Municipal Budget and Reporting Regulations of 2009 which that sets out the process to revise the IDP and prepare the municipal budget.

1.2 **Legislative Background**

Section 21(1) of the Municipal Finance Management Act 56 of 2003 provides that -

1) The mayor of a municipality must -

   a) Co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan budget-related policies are mutually consistent and credible;

   b) at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for –

       (i) the preparation, tabling and approval of the annual budget;

       (ii) the annual review of –

           a) the integrated development plan in terms of section 34 of the Municipal Systems Act; and

           b) the budget-related policies;

       (iii) the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and

       (iv) any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).
1.3 Mayor’s Overview

The set of legislation governing local government provides for a number of mechanisms for strengthening accountability. The first mechanism involves separating and clarifying roles and responsibilities of mayors, executive councillors, non-executive councillors and officials. This separation of political and management roles is critical for good governance. The executive mayor and executive committee are expected to provide political leadership, by proposing policies, guiding the development of budgets and performance targets, and overseeing their implementation by monitoring performance through in-year reports. In executing their duties, they may not use their position, privileges or confidential information for private gain or to improperly benefit another person.

The municipal manager holds the primary legal accountability for financial management in terms of the MPMA and, together with other senior managers, is responsible for implementation and outputs. They have a duty to act with fidelity, honesty and integrity and in the best interests of the municipality at all times. Non-executive councillors, as elected representatives of the community, debate and approve the proposed policies and budgets and also oversee the performance of the municipality. They hold both the executive mayor or committee and the officials accountable for performance on the basis of quarterly and annual reports.

The second mechanism involves developing a performance orientation. The legal framework introduces requirements and processes for establishing service delivery priorities and plans. The aim is to ensure alignment between the plans, budgets, implementation actions and reporting to ensure proper management accountability for the achievement of service delivery targets.

The third mechanism involves strengthening reporting and disclosure requirements. High quality and timely management information will allow management to be proactive in identifying and solving problems as they arise. It also strengthens the separation of roles and supports a performance orientation in the municipality.
It is important to emphasize the role of Budget Steering Committee in this process for 2020/21 financial year. Regulation 4 (1) of the Municipal Budget and Reporting Regulations requires that the mayor of a municipality establish a budget steering committee. This committee's role is to provide technical assistance to the mayor in discharging his or her responsibilities set out in section 53 of the MFMA. These responsibilities include providing political guidance to the IDP and budget processes and the priorities that must guide the preparation of the budget, ensuring the budget gets approved before 1 July, that a SDBIP is produced and that senior managers' annual performance contracts are signed, submitted to council and made public on time.

Furthermore, the prescribed membership of the committee emphasizes the technical nature and role of the committee. It includes all senior managers within the municipality that need to be involved in the IDP and budget processes to ensure that they are aligned and relate directly to the service responsibilities of the municipality. The members of the committee will also ultimately be accountable for the implementation of the IDP and budget, through the SDBIP and their annual performance agreements. The 'councillor responsible for financial matters' in this case MMC Finance, is a member of the committee to represent the mayor and provide political guidance. The committee should be chaired by the chief financial officer, or alternatively the municipal manager.

The budget steering committee is not a committee of council, or a subcommittee of the mayor's executive committee. Council may decide to establish a separate council committee to exercise oversight of the IDP and budget, and the mayor may decide to establish a separate subcommittee of the executive committee to provide political guidance to the IDP and budget processes. These committees would need to work closely with the budget steering committee.
1.4 Resolutions

1.4.1 Approval of time schedule of key deadlines for 2020/21 budget year as attached in Annexure A; and

1.4.2 Appointment of Budget Steering Committee in terms of regulation 4 (1) of the Municipal Budget and Reporting Regulations of 2009.

1.5 Municipal Manager's Overview

Sound financial management practices are essential to the long-term sustainability of municipalities. They underpin the process of democratic accountability. Weak or opaque financial management results in the misdirection of resources and increases the risk of corruption. The key objective of the Municipal Finance Management Act (2003) (MFMA) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services. Municipal financial management involves managing a range of interrelated components: planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting and oversight. Each component contributes to ensuring that expenditure is developmental, effective and efficient and that municipalities can be held accountable.


1.5.1 Alignment of planning, budgeting and reporting

Section 153 of the Constitution requires that 'a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community'. The MFMA, together with the Municipal Systems
Act (2000), aims to facilitate compliance with this constitutional duty by ensuring that municipalities' priorities, plans, budgets, implementation actions and reports are properly aligned. Figure 1 below, is the main components of the financial management and accountability cycle and how they ought to be aligned.

Source: National Treasury (2011)

Figure 1 above can be explained as follows:

- **Integrated development plan (IDP):** This sets out the municipality's goals and development plans, which need to be aligned with the municipality's available resources. Council adopts the IDP and undertakes an annual review and assessment of performance based on the annual report.
• **Budget**: The three-year budget sets out the revenue raising and expenditure plan of the municipality for approval by council. The allocation of funds needs to be aligned with the priorities in the IDP.

• **Service delivery and budget implementation plan (SDBIP)**: The SDBIP sets out monthly or quarterly service delivery and financial targets aligned with the annual targets set in the IDP and budget. As the municipality's 'implementation plan', it lays the basis for the performance agreements of the municipal manager and senior management.

• **In-year reports**: The administration reports to council on the implementation of the budget and SDBIP through monthly, quarterly and mid-year reports. Council uses these reports to monitor both the financial and service delivery performance of the municipality's implementation actions.

• **Annual financial statements**: These report on the implementation of the budget, and reflect the financial position of the municipality. They are submitted to the Auditor-General, who issues an audit report indicating the reliance council can place on the statements in exercising oversight.

• **Annual report**: It is the primary instrument of accountability, in which the mayor and municipal manager report on implementation performance in relation to the budget and the SDBIP, and the progress being made in realising the IDP priorities.

• **Oversight report**: Council produces an oversight report based on outcomes highlighted in the annual report and actual performance.

In summary, the cycle above also highlights how the level of accuracy of the information set out in each of the accountability documents is dependent on a municipality having a properly aligned organisational structure, and sound policies, processes and procedures (including performance management), and implementing a standard chart of accounts (mSCOA).
1.5.2 Strengthening planning and budgeting

Improved processes for municipal planning and budgeting empower a council to make more informed decisions and are fundamental to sustainable and efficient service provision. The generic municipal budget cycle is set out in the MFMA and described in MFMA circular 19. The cycle involves the following:

- **A planning phase**, which starts with the mayor tabling in council a budget process schedule by August. This schedule sets key target dates for the budget process. The planning phase involves the strategic review of the IDP, setting service delivery objectives for the next three years, consultation on tariffs, indigent policy, credit control and free basic services, and reviewing the previous year’s performance and current economic and demographic trends.

- **A preparation phase**, which involves the analysis of revenue and expenditure projections (based on the mid-year budget and performance assessment), revising budget related policies and considering local, provincial and national priorities.

- **A tabling and public consultation phase**, which requires the mayor to table a proposed budget, IDP revisions and budget policies in council by the end of March. Thereafter, the municipality is required to conduct public budget consultations during April and May, as well as solicit input from National Treasury (benchmarking exercise), the relevant provincial treasury and other organs of state and local municipalities.

- **A revision and debate phase**, which gives the mayor the opportunity to revise the tabled budget in response to inputs received, and then to table the budget in council for consideration before 1 June.

- **Approval** of the budget by council before 1 July (the start of the municipal financial year).
• Publishing the budget, the SDBIP and annual performance agreements of the municipal manager and senior managers on the municipal website.

1.6 Recommendations

It is recommended that the council approves:

1.6.1 Time schedule of key deadlines for 2020/21 budget year; and
1.6.2 The mayor appoints member of the Budget Steering Committee in terms of regulation 4(1) of the Municipal Budget and Reporting Regulations of 2009.

Comments

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Prepared by; 

Mr. M. A. Ntaopane
Manager: Budget, Cashflow and Reporting
Date: 

Reviewed by; 

Mr. S.S. Mphato
Chief Financial Officer
Date: 

Co-Approved by; 

Mr. O.A. Losaba
Municipal Manager
Date: 

Approved by; 

Mr. T. Lefutswe
Finance Administrator
Date: 
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: TIME SCHEDULE OF KEY DEADLINES FOR 2020/21 BUDGET YEAR</th>
<th>RESOLUTION NUMBER</th>
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<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the Time schedule of key deadlines for 2020/21 budget year; and</td>
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<tr>
<td></td>
<td>b) Council resolved that the mayor appoints members of the Budget Steering Committee in terms of regulation 4(1) of the Municipal Budget and Reporting Regulations of 2009.</td>
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**CLLR Y SECHOARO**  
COUNCIL SPEAKER

**MR. O.A LOSABA**  
MUNICIPAL MANAGER
C10/08/2019 ASSETS MANAGEMENT POLICY

1. PURPOSE

To inform the Municipal Council about the Assets Management Policy amendments.

2. BACKGROUND

The Municipal Finance Management Act, Act 56 of 2003 provides that the municipality must take reasonable steps to ensure that there are proper controls and measures to make sure that its assets are protected against improper use, loss, theft, malicious or accidental damage.

The municipality early adopted IGRAP 18 during the 2018/2019 financial year.

I. IGRAP 18 gives guidance on recognition and de-recognition of land based on control, not only legal title. Control is demonstrated by applying the following criteria; Legal title, and/or right to direct and restrict or deny access of others to land.

II. The municipality must control the resource. Control of the resource is evidenced by the entity's ability to use the resource, or direct other parties to use it, so as to benefit from the future economic benefits or service potential embodied in the resource. Control is evidenced by the rights and obligations arising from a binding arrangement.

III. In the absence of a binding agreement with a third party, legal ownership is sufficient to demonstrate control over the land, as the municipality has not transferred the rights or obligations in relation to the land. In such cases the right to direct access to and restrict or deny access of others to the land has been retained.

IV. IGRAP 18 can be applied to clarify the treatment of land where the building is owned by another party including, but not limited to:

- Formal RDP houses
- Informal RDP houses (without council permission)
- Schools, clinics, churches and similar
- Private properties on municipal land

It will also assist in confirming the treatment of the following assets regardless of ownership of the land:

- Infrastructure assets
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

- Community assets
- Vacant stands registered at the title deeds office
- Vacant stands not registered at the title deeds office

3. RECOMMENDATIONS

3.1. That the Municipal Council notes the amendments effected on Assets Management Policy with regard to land IGRAP 18.

3.2. Recognition or derecognized land based on control and not only legal title.


3.4. That the policy be used to enhance service delivery by using municipal resources effectively and efficiently.

3.5. That councillors to be work-shopped on the Assets Management Policy.

<table>
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<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: ASSETS MANAGEMENT POLICY</th>
<th>RESOLUTION NUMBER</th>
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<tbody>
<tr>
<td></td>
<td>b) Council noted the recognition or derecognized land based on control and not only legal title.</td>
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<td>c) Council adopted the Assets Management Policy with amendments.</td>
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<td></td>
<td>d) Council resolved that the policy be used to enhance service delivery by using municipal resources effectively and efficiently.</td>
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<td></td>
<td>e) Council resolved that councillors be work-shopped on the Assets Management Policy.</td>
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CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C11/08/2019 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE FOR FOURTH QUARTER FINANCIAL YEAR 2018/19

1. PURPOSE
This serves to notify the Municipal Council about quarterly reporting of unauthorized, irregular, or fruitless and wasteful expenditure for fourth Quarter financial year 2018/19.

2. BACKGROUND

2.1. Ngaka Modiri Molema District Municipality (NMMDM) is incurring irregular expenditure with regard to usage of engineers in the designing and scoping of work related to water and sanitation project.

2.2. A council committee contemplated in section 32(2)(ii) of the act to investigate the recoverability of any unauthorized, irregular, or fruitless and wasteful expenditure.

3. RECOMMENDATIONS

3.1 The Accounting Officer once aware of UIF&W must inform Council the Mayor or Executive Committee in writing that the expenditure is likely to be unauthorised, irregular, fruitless and wasteful expenditure section 32(3) local government (MFMA) Municipal Financial Management Act.

3.1.1 Unauthorised Expenditure : R 13 133 201.56

3.1.2 Irregular Expenditure : R 587 434 509.41

(Inclusive of R 510 948 476.89 employees outside the structure from 2012 to 2019)

3.1.3 Fruitless and Wasteful Expenditure : R 40 040.00

3.2 The Municipal Council Committee (MPAC) to investigate in terms of section 32(2)(ii)
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE FOR FOURTH QUARTER FINANCIAL YEAR 2018/19</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>
| 27 August 2019  | a) Council resolved that the Accounting Officer being aware of UIF&W must promptly inform the Executive Mayor; MEC for Local Government and Auditor General in writing that the expenditure is likely to be unauthorised, irregular, fruitless and wasteful expenditure section 32(3) local governments (MFMA) Municipal Financial Management Act.  
   i) Unauthorised Expenditure: R 13 133 201.56  
   ii) Irregular Expenditure: R 587 434 509.41 (Inclusive of R 510 948 476.89 employees outside the structure from 2012 to 2019)  
   iii) Fruitless and Wasteful Expenditure: R 40 040.00  
   b) Council resolved that the item be referred to MPAC for investigation in terms of section 32(2) (ii). | C26/2019 |

CLLR Y SECHOARO  
COUNCIL SPEAKER  

MR. O.A LOSABA  
MUNICIPAL MANAGER
C 12/08/2019  PROCUREMENT REPORT FOR FOURTH QUARTER  
FINANCIAL YEAR 2018/19

1. PURPOSE

To inform Municipal Council about fourth Quarter procurement report for financial year 2018/19 in terms of SCM regulation 6.3

2. BACKGROUND

The Supply Chain regulation 6.3 requires the Accounting Officer to submit quarterly report on the implementation of the supply chain management policy to the mayor of the municipality.

3. RECOMMENDATION

It is recommended that the Municipal Council note the fourth quarter procurement report for financial year 2018/19 in terms of supply chain management regulation 6.3 requirement.

<table>
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<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PROCUREMENT REPORT FOR FOURTH QUARTER FINANCIAL YEAR 2018/19</th>
<th>RESOLUTION NUMBER</th>
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</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the fourth quarter procurement report for financial year 2018/19 in terms of supply chain management regulation 6.3 requirement.</td>
<td>C27/2019</td>
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CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. O.A LOSABA  
MUNICIPAL MANAGER
C13/08/2019  SECTION 52D REPORT FOR FOURTH QUARTER FOR
FINANCIAL YEAR 2018/19

1. PURPOSE

The purpose of this report is to comply with Section 52 (d) of the Municipal Finance
Management Act.

2. BACKGROUND

In terms of the Municipal Finance Management Act No 56 of 2003, Section 52 (d), General
Responsibilities:

The Mayor of the municipality- Must, within 30 days of the end of each quarter, submit
a report to the council on the implementation of the budget and financial affairs of the
municipality.

3. RECOMMENDATION

a) It is recommended that the Municipal Council notes the budget statement for period
ended 30 June 2019 respectively.

<table>
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<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: SECTION 52D REPORT FOR FOURTH QUARTER FOR FINANCIAL YEAR 2018/19</th>
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</tr>
</thead>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSASA
MUNICIPAL MANAGER
1. PURPOSE


2. BACKGROUND

The Minister of Finance has, in consultation with the Minister of Cooperative Governance and Traditional Affairs, made the Cost Containment Regulations applicable to municipalities. Previously, there have been MFMA Circulars issues by the National Treasury advising municipalities on cost containment measures.

3. RECOMMENDATION

3.1. That the Municipal Council takes note of the implementation of Municipal Cost Containment Regulations as promulgated on 07 June 2019 together with the policy.

3.2. That the Regulations takes effect from 01 July 2019

3.3. That any Official or Public Office Bearer incurring unauthorized expenditure contrary to the Regulations shall be held liable for financial misconduct

3.4. That officials and councilors are urged to familiarize themselves with the Regulations

3.5. That councilors be work-shopped on Cost Containment regulation.

4. ANNEXURE

4.1. Municipal Cost Containment Regulations, 2019
4.2. SALGA Circular 10 of 2019
4.3. MFMA circular 97 dated 31 July 2019

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: MUNICIPAL COST CONTAINMENT REGULATIONS, 2019</th>
<th>RESOLUTION NUMBER</th>
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<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the implementation of Municipal Cost Containment Regulations as promulgated on 07 June 2019 together with the policy</td>
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<tr>
<td></td>
<td>b) Council noted that the Regulations takes effect from 01 July 2019</td>
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<td></td>
<td>c) Council resolved that any Official or Public Office Bearer incurring unauthorised expenditure contrary to</td>
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<td>the Regulations shall be held liable for financial misconduct</td>
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<tr>
<td>d) Council resolved that officials and councillors are urged to familiarize themselves with the Regulations</td>
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<tr>
<td>e) Council resolved that councillors be work-shopped on Cost Containment regulation.</td>
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CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. O.A LOSABE  
MUNICIPAL MANAGER
C15/08/2019 POST AUDIT ACTION PLAN PROGRESS REPORT FOR PERIOD ENDED 30 JUNE 2018

1. PURPOSE

The purpose of this report is to report the progress on the implementation of Post Audit Action Plan for period ended 30 June 2019.

2. LEGISLATIVE BACKGROUND

Section 65 of Municipal Finance Management Act No 56 of 2003 provides that:

1) The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.

2) The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure –

   a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;

   b) that the municipality has and maintains a management, accounting and information systems which –

      i. recognise expenditure when it is incurred;

      ii. accounts for creditors of the municipality; and

      iii. accounts for payments made by the municipality;

   c) that the municipality has and maintains a system of internal control in respect of creditors and payments.

3. RECOMMENDATION

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: POST AUDIT ACTION PLAN PROGRESS REPORT FOR PERIOD ENDED 30 JUNE 2018</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the PAAP progress report for fourth quarter financial year 2018/19.</td>
<td>C30/2019</td>
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</table>

CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. O.A LOSABA  
MUNICIPAL MANAGER
C 16/06/2019  FINANCIAL PLAN AND FINANCIAL RECOVERY PLAN

1. PURPOSE

1.1 To introduce measures that must be applied by municipality in eliminating budget deficit over a period of time when adopting municipal budget in terms of North West Provincial Treasury circular no 01 of 2018/19 financial year.

2. BACKGROUND

2.1 Council approved Financial Recovery Plan in 2016, Resolution No: C 02/05/2016, and further revised the plan in 2018, Resolution No: SC 04/06/2018, which is supposed to be monitored for implementation and progress reported to relevant stakeholders on monthly basis.

2.2 Section 18 of the MFMA states that a municipal budget is funded from realistically anticipated revenue to be collected, cash-backed accumulated funds from previous year, surpluses not committed for other purposes and borrowed funds (only for capital projects). Tabling of funded budgets is one of the game changers in local government to ensure financial sustainability.

2.3 In the previous years, and recently, it was noted that a number of municipalities in the North West province are adopting unfunded budgets without a plan detailing initiative to eliminate or minimize the budget deficit.

2.4 This trend of adopting unfunded budgets persisted over the years and poses the institutional and financial risk to the municipalities.

2.5 These unfunded budgets are mainly cause by, among others, the following:

2.5.1 The operational spending is always higher than the revenue capabilities of municipalities. The practice is that most municipalities overstate their budget revenue and plan expenditure on this overstated amount. When revenue collection is not in accordance with the budget expectations there is insufficient funding to support the expenditure appropriations;

2.5.2 High salary bill derived from bloated organizational structures;
2.5.3 Performance of unfunded mandates. The South African Cities Network (SACN, 2007:78) defines an unfunded/underfunded mandate as when municipalities perform the functions of other spheres of government and bear significant costs out of their own revenue sources;

2.5.4 Inadequate cash balances which do not cover debt owed to creditors or municipal commitments; and

2.5.5 Dependency on intergovernmental transfers because of the rural nature of municipalities;

3. NATIONAL AND PROVINCIAL APPROACH

3.1 As an initiative to support municipalities to produce funded budgets, both national and provincial treasuries comprehensively assessed the 2019/20 budget and assisted the municipality in effecting the required changes to ensure that credible and realistic budget are produced and adopted in council.

3.2 Where a municipality is failing to adopt funded budget through (2019/20 MTREF period) detailing activities that will undertake to improve from an unfunded to a funded position.

3.3 Both national and provincial treasuries will assess the revised budgets together with the plans and provide guidance to the municipality accordingly. The municipal financial plan was checked by Department of Finance and respond provided

4. MEASURES TO BE TAKEN TO ADDRESS UNFUNDED BUDGETS

4.1 The process will give the municipality opportunity to reassess their long-term financial strategies in the context of key IDP objectives including the Financial Recovery Plans (applicable to municipality with FRP). The financial plans should reflect programs and/or initiatives to be implemented by municipalities and illustrate how these are aligned to the revenue management strategies.
4.2 IMPROVE REVENUE MANAGEMENT AND COLLECTION RATE

4.2.1 Establishment of revenue management committee
4.2.2 Meter reading to be executed regularly
4.2.3 Implementation of revenue Management initiatives
4.2.4 Implementation of measures to curb water and electricity looses

4.3 Realistic cash flow projections
4.3.1 Utilize the previous year’s collection levels as a baseline to budget accurately for cash flow.

4.4 REVIEW ALL CONTRACTS AND IDENTIFY ANY WASTAGES
4.4.1 Improve efficiency in the utilization of the municipal resources (expenditure management) by channeling the inadequate financial resources to identified priorities.
4.4.2 Reduce over-reliance on consultants by ensuring skills are transferred to municipality officials
4.4.3 Ensure value for money by closely monitoring the existing contracts or service level agreements.

4.5 ENFORCE COST CONTAINMENT MEASURES
4.5.1 Develop cost containment measures in line with the National Treasury Treasury’s budget MFMA Circular 82 for Council adoption

4.6 ADDRESS OUTSTANDING CREDITORS
4.6.1 Effective creditor’s management
4.6.2 Compile and categorized list of priority creditors
4.6.3 Review repayment arrangement with bulk supply creditors to ensure affordability and financial sustainability
4.7 MORATORIUM ON NON-CRITICAL POSITIONS
4.7.1 Filling of key positions that are funded
4.7.2 Develop capacity building plan to ensure that staff, particularly those in Budget and Treasury Office (BTO), have the requisite skills.

4.8 MAKE SUFFICIENT PROVISION FOR REPAIRS AND MAINTENANCE (R&M) TO REVENUE GENERATING ASSETS.
4.8.1 Develop asset management plans which will inform the repairs and maintenance as well as assets replacement.
4.8.2 Monitor impact of R&M (Repair and Maintenance) implementation to inform realistic budget allocation.

4.9 CONSIDER INPUTS AND RECOMMENDATIONS PROVIDED DURING BENCHMARKING EXERCISE ENGAGEMENTS
4.9.1 Prioritize the credibility and completeness of the budget data as it forms the outcome of the budget benchmarking exercise engagements.
4.9.2 Ensure that Municipal adjustment budget does not compromise the gains made during the benchmarking Exercise Engagement.

5. FINANCIAL PLAN TEMPLATE
5.1 Municipality must formulate financial plan which must form part of the 2019/20 MTREF Budget. These plans need to be tabled before the municipal council for formal adoption. A broad guideline is provided on the financial plan to be incorporated in the budget documentation.

6. RECOMMENDATION
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<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: FINANCIAL PLAN AND FINANCIAL RECOVERY PLAN</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C17/08/2019  THE DISTRICT INTEGRATED TRANSPORT PLAN FOR NOTING BY THE PORTFOLIO COMMITTEE

1. PURPOSE

The purpose of this item is to notify the Municipal Council of the recently completed "Ngaka Modiri Molema District Municipality Integrated Transport Plan 2019-2024" document (herein after referred to as the DITP) that was compiled under the financial patronage of the Provincial Department of Community Safety & Transport Management for the District Municipality.

2. BACKGROUND AND PURPOSE

The DITP was prepared in compliance with the National Land Transport Act (2009), relevant Provincial legislation, and the requirements of the National Department of Transport (DoT). The DITP is a Sector Plan of the Integrated Development Plan and it is valid for a five (5) year period 2019-2024, the plan contains the District and local municipalities' vision for transport, describes the existing roads and public transport infrastructure and operations as well as discuss transport needs of the district.

The process of compiling the said strategic document for the District commenced in the financial year 2017/18, throughout the process the interests of the District were represented by Manager of Town & Regional Planning: Mr. Colleen Mbengo who formed part of the Project Steering Committee (PSC).

A Town Planning practitioner was seconded on behalf of the District because of the common linkages between spatial and transport planning field at municipal level. The pending Planning & Development's project of compiling the Spatial Development Framework (SDF) analyses and highlights, inter-alia, in detail the critical interface between spatial development and transportation at the strategic level as well as the need for an integration approach between the two to achieve basic service delivery issues in the District.

The Planning & Development Department will host a workshop for Councilors to familiarize them with the DITP document before it is adopted by Council. The recommendations contained in the document which have financial implications will be planned for and implemented in the subsequent financial year by the Department.

RECOMMENDATIONS

In light of the above discussions, it is therefore recommended that:

2.2. A workshop will be co-hosted by the Development & Town Planning Services together with other departments with outstanding items awaiting to be work shopped for the District Councillors before the "Ngaka Modiri Molema District Municipality Integrated Transport Plan 2019-2024" is adopted by Council, at a date no later than the end of October month.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: THE DISTRICT INTEGRATED TRANSPORT PLAN FOR NOTING BY THE PORTFOLIO COMMITTEE</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>b) Council resolved that a workshop will be co-hosted by the Development &amp; Town Planning Services together with other departments with outstanding items awaiting to be work shopped for the District Councillors before the &quot;Ngaka Modiri Molema District Municipality Integrated Transport Plan 2019-2024&quot; is adopted by Council, at a date no later than the end of October month.</td>
<td></td>
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</tbody>
</table>

Cllr Y Sechoaro  
COUNCIL SPEAKER

Mr. O.A Losaba  
MUNICIPAL MANAGER
C18/08/2019

DEVELOPMENT AND PLANNING: DISTRICT IDP/PMS/BUDGET FRAMEWORK AND PROCESS PLAN FOR 2020/2021 FINANCIAL YEAR

ATTACHED

District IDP/PMS/Budget Framework and Process Plan

1. PURPOSE

To request NMMDM Council Members to adopt the District IDP/PMS/Budget Framework and Process Plan for 2020/2021

2. BACKGROUND

The Framework Plan as stipulated in section 27(2) of Municipal System Act of 2000 identifies the following:

- Identify plans and planning requirements that bind the District and Local Municipalities in terms of national and provincial legislation.
- Identify matters that require alignment between the District and the Local Municipalities.
- Specify the principles to be applied and coordinate the approach to be adopted in respect of the matters identified.
- Determine procedures for consultation between the municipalities during the process of drafting their respective IDP and to effect essential amendments to the framework.

This document is presented, discussed and modified accordingly by the local municipalities within the jurisdiction of Ngaka Modiri Molema District Municipality, IDP Steering Committee and other relevant internal structures. It is now presented to District Municipal Council for adoption.

3. THE IDP AND BUDGET PROCESS PLAN

The Local Government Municipal System Act No. 32 of 2000, section 28 stipulates that the Municipal Council must adopt a process to guide the planning, drafting and adoption of its IDP within a prescribes period 10 months before the start of the financial year. In terms of Municipal Financial Management Act 56 of 2003, section 21 (1)(b) the Mayor must table in the municipal council a schedule outlining the key deadlines for the preparation, tabling and
approval of the annual budget, annual review of the Integrated Development Plan as well as the budget related policies and related consultative process.

4. DISCUSSION

The main objective of a Framework Plan is to ensure that the processes of both the District and Local Municipalities' IDP reviews are mutually linked and can inform each other. As it has to be used by all municipalities as a basis for drafting their process plans, the framework plan has to be agreed by all municipalities. The District Framework Plan binds both the District and Local Municipalities.

The Framework Plan specifies the roles of different role players in the IDP process and determines procedures for coordination, consultation and alignment between the district and the local municipalities. The Framework Plan guides each municipality in preparing its process plan. While the process plan of a local municipality has to be based on appropriate consultation with local communities and to be communicated to them, the Framework Plan has to be based on consultation process with the local municipalities within Ngaka Modiri Molema District Municipality.

5. RECOMMENDATION

5.1. That Council Members make the necessary inputs in the District IDP/PMS/Budget Framework and Process Plan for 2020/2021


5.3. That all time frame as outlined in both the District IDP/PMS/Budget Framework and Process Plan be supported by all Council Members.

5.4. That the District Framework and Process Plan be submitted to the Office of the MEC for Corporate Governance, Human Settlement and Traditional Affairs

5.5. That the District Framework and Process Plan be publicized in the Local News Paper.
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: DEVELOPMENT AND PLANNING: DISTRICT IDP/PMS/BUDGET FRAMEWORK AND PROCESS PLAN FOR 2020/2021 FINANCIAL YEAR</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>c) Council resolved that all time frame as outlined in both the District IDP/PMS/Budget Framework and Process Plan be supported by all Council Members.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Council resolved that the District Framework and Process Plan be submitted to the Office of the MEC for Corporate Governance, Human Settlement and Traditional Affairs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>f) Council resolved that all stakeholders must be invited and that POE of the invitations be availed.</td>
<td></td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. O.A LOSABA  
MUNICIPAL MANAGER
C 19/08/2019 PERFORMANCE MANAGEMENT SYSTEM: UNAUDITED DRAFT
ANNUAL REPORT FOR 2018-2019 FINANCIAL YEAR

1. PURPOSE

For the Executive Mayor to table the Unaudited Draft Annual Report for 2018-2019.

2. BACKGROUND

In terms of Section 121 of the MFMA the municipality is expected to table the Annual Report to Council within 9 months after the end of the financial year which is January of each year, subsequent to this section the National Treasury issued MFMA Circular 63 on the 26th of September 2012, to provide guidance to municipalities on the new Annual Report format and its content. Information included in the New Annual Report will better inform in a standardised framework how municipalities have performed.

The purpose of the Annual Report is:
- to provide a record of the activities of the municipality or entity during the financial year to which the report relates;
- to provide a report on performance in service delivery and budget implementation for the financial year;
- to promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity; and
- to reduce the additional reporting requirements that will otherwise arise from Government Departments, monitoring agencies and financial institutions.

With the above in mind, the goals of the new Annual Report Format are to achieve the following:
- standardised reporting to enable municipalities / municipal entities to submit comparable Annual Reports;
- align financial and non-financial reporting in the Annual Report;
- create a standardised reporting structure that will enhance comprehensive oversight, meaningful evaluation and improved understanding of service delivery output; Prior to printing or copying the annual report which include the audit report the municipality is required to do the following:-

The Annual Report is still at a draft stage and the departments are still allowed to submit outstanding information up until the end of October 2019. Information for Chapter 5 and 6 is
still outstanding Information; however, that information will be submitted when the Annual Financial Statements are audited by the Auditor General. The Annual Performance Report and the Annual Financial Statements will be submitted as Annexures to the Unaudited Draft Annual Report 2018-2019.

3. RECOMMENDED

It is recommended that

1. The Executive Mayor tabled the Unaudited Draft Annual Report 2018-2019 in terms of the requirements of the MFMA Circular 63.


ANNEXURE

Draft Annual Report 2018-2019

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PERFORMANCE MANAGEMENT SYSTEM: UNAUDITED DRAFT ANNUAL REPORT FOR 2018-2019 FINANCIAL YEAR</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>

Cllr Y Sechoaro
COUNCIL SPEAKER

Mr. O.A. Losaba
MUNICIPAL MANAGER
C20/09/2019 PERFORMANCE MANAGEMENT SYSTEM: QUARTERLY PERFORMANCE REPORTS 4TH QUARTER REPORTS FOR ALL DEPARTMENTS

1. PURPOSE

For Council to note the Departmental Quarterly Performance Reports for April to June 2019.

2. BACKGROUND

In terms of Chapter 6 section 41(1)(e) of the Municipal Systems Act 32 of 2000, as amended; "a municipality is required to establish a process of regular reporting to the council, other political structures, political office bearers and staff of the municipality, the public and appropriate organs of state".

The Municipal Planning and Performance Management Regulations of 2001, further instructs a municipality to ensure that its performance management system:

- Determines the frequency of reporting and the lines of accountability for performance.

3. DISCUSSION

The Performance Agreement(s) of Section 56 Managers outline various stages of regular reporting i.e. monthly, quarterly and annually.

The monitoring of the organisation with regard to the technical SDBIP and corporate KPIs and targets is a continuous process of measuring, assessing, analysing and evaluating performance. The mechanism systems and processes for monitoring should provide for reporting at least once a quarter to the municipal council, it should enable detection of early indication of underperformance and provide for corrective measures to be taken in cases of underperformance.

The departments performed as indicated hereunder:

<table>
<thead>
<tr>
<th>Department</th>
<th>Total KPIs</th>
<th>Not applicable</th>
<th>Achieved</th>
<th>Not Achieved</th>
<th>Achieved %</th>
<th>Not Achieved %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Services</td>
<td>6</td>
<td>1</td>
<td>5</td>
<td>0</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Community Services</td>
<td>4</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>Technical Services</td>
<td>7</td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>83%</td>
<td>17%</td>
</tr>
<tr>
<td>Budget</td>
<td>&amp;</td>
<td>2</td>
<td>4</td>
<td></td>
<td>33%</td>
<td>67%</td>
</tr>
</tbody>
</table>
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

<table>
<thead>
<tr>
<th>Treasury Office</th>
<th>10</th>
<th>0</th>
<th>6</th>
<th>4</th>
<th>60%</th>
<th>40%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning &amp; Development</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>100%</td>
<td>%</td>
</tr>
<tr>
<td>Internal Audit</td>
<td>5</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>IGR</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>100%</td>
<td>%</td>
</tr>
<tr>
<td>PMS</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>100%</td>
<td>0%</td>
</tr>
<tr>
<td>Communication</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>100%</td>
<td>%</td>
</tr>
<tr>
<td>Political Office</td>
<td>9</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td>33%</td>
<td>67%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>59</td>
<td>15</td>
<td>29</td>
<td>15</td>
<td>66%</td>
<td>34%</td>
</tr>
</tbody>
</table>

4. RECOMMENDATIONS

4.1. That Council note the departmental quarterly Performance for the period 1 April 2019 to 30 June 2019.

4.2. That Council note that out of 44 KPI's 29 were achieved and 15 Not Achieved representing 66% and 34%

5. ATTACHMENT

Consolidated Departmental Quarterly Reports (4th Quarter Reports April- June 2019)

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PERFORMANCE MANAGEMENT SYSTEM: QUARTERLY PERFORMANCE REPORTS 4TH QUARTER REPORTS FOR ALL DEPARTMENTS</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the departmental quarterly Performance Report for the period 1 April 2019 to 30 June 2019.</td>
<td>C35/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council noted that out of 44 KPI's 29 were achieved and 15 Not Achieved representing 66% and 34%</td>
<td></td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C21/08/2019 PERFORMANCE MANAGEMENT SYSTEM: UNAUDITED DRAFT ANNUAL PERFORMANCE REPORT FOR 2018-2019 FINANCIAL YEAR

PURPOSE


BACKGROUND

In terms of Section 121 of the MFMA the municipality is expected to table the Annual Report to Council within 9 months after the end of the financial year which is January of each year, subsequent to this section the National Treasury issued MFMA Circular 63 on the 26th of September 2012, to provide guidance to municipalities on the new Annual Report format and its content. Information included in the New Annual Report will better inform in a standardised framework how municipalities have performed.

The purpose of the Annual Report is:
- to provide a record of the activities of the municipality or entity during the financial year to which the report relates;
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With the above in mind, the goals of the new Annual Report Format are to achieve the following:
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The Annual Report is still at a draft stage and the departments are still allowed to submit outstanding information up until the end of October 2019. Information for Chapter 5 and 6 is still outstanding Information; however that information will be submitted when the Annual Financial Statements are audited by the Auditor General. The Annual Performance Report and
the Annual Financial Statements will be submitted as Annexures to the Unaudited Draft Annual Report 2018-2019.

RECOMMENDED

It is recommended that:

a) The Executive Mayor tabled the Unaudited Draft Annual Report 2018-2019 in terms of the requirements of the MFMA Circular 63.


ATTACHMENT

Draft Annual Report 2018-2019

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PERFORMANCE MANAGEMENT SYSTEM: UNAUDITED DRAFT PERFORMANCE REPORT FOR 2018-2019 FINANCIAL YEAR</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C22/08/2019 PERFORMANCE MANAGEMENT SYSTEM: ORGANISATIONAL PERFORMANCE MANAGEMENT POLICY FRAMEWORK.

PURPOSE

For Council to note that the Organisational Performance Management System Policy Framework will not be reviewed.

BACKGROUND

In terms of Section 38 of the Local Government: Municipal Systems Act, council must approve the Municipal Performance Management System. The Organisational Performance Management Policy Framework

The PMS Framework was submitted to Council on 27 August 2015 per Resolution SC27/2015 indicating that it will not be reviewed. The Individual Performance Management Policy was submitted to Management and workshop will be conducted for all employees before the end of the financial year.

1. RECOMMENDATIONS

1.1. That Council notes that the Organisational Performance Management System Policy Framework will not be reviewed

1.2. A separate Performance Management Policy for officials appointed in terms of Section 55 of the Municipal Systems Act has been developed

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PERFORMANCE MANAGEMENT SYSTEM: ORGANISATIONAL PERFORMANCE MANAGEMENT POLICY FRAMEWORK.</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted that the Organisational Performance Management System Policy Framework will not be reviewed</td>
<td>C37/2019</td>
</tr>
<tr>
<td></td>
<td>b) A separate Performance Management Policy for officials appointed in terms of Section 55 of the Municipal Systems Act has been developed</td>
<td></td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO Council Speaker

MR. Q A LOSABA Municipal Manager
C 23/08/2019 PERFORMANCE MANAGEMENT SYSTEM; PERFORMANCE AGREEMENTS OF THE MUNICIPAL MANAGER AND MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER FOR 2019-2020

1. PURPOSE

To inform Council of the Performance Agreements of the Municipal Manager and Managers directly accountable to the Municipal Manager.

2. BACKGROUND

In terms of Section 57(2) (a) of the Municipal System Act 32 of 2000 the Performance Agreement must be concluded within one month after the beginning of the financial year of the municipality.

Draft Performance Agreement were submitted to the Executive Mayor on the 14th of June 2019 in terms of Section 69(3) (a) (b) of the Municipal Finance Management Act of 2003 as amended.

In terms of section 53 (3) (b) the Performance Agreements of the Municipal Manager and Senior Managers must be made public not later than 14 days after the approval of the SDBIP.

3. RECOMMENDATION

3.1. That the signed Performance Agreements of Municipal Manager and Managers directly accountable to the Municipal Manager are submitted to Council in terms of Section 53(3)(b) of the Municipal Finance Management Act.

3.2. The Municipal Manager and Managers directly accountable to the Municipal Manager signed their Performance Agreements on the 10th of July 2019

3.3. That the Performance Agreements were placed in the Municipal Website on the 16th of July 2019 in terms of Section 53(3)(b) and Section 75 of the Municipal Finance Management Act of 2003.

3.4. That the Performance Agreements were submitted to the MEC for Cooperative Governance Human Settlement and Traditional Affairs as well as the Minister for COGTA.
ATTACHMENTS

Performance Agreements of the Municipal Manager and All 5 Managers directly accountable to the Municipal Manager:

- Municipal Manager: Mr O A Losaba
- Senior Manager: Planning & Development: Ms M K Mahlobo
- Senior Manager: Corporate Resource Support Services: Ms M D Dambuza
- Senior Manager Community Services: Ms S M Nkadimang
- Senior Manager: Technical Services: Mr M J Rassool
- Chief Financial Officer: Mr S S Mphato

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PERFORMANCE MANAGEMENT SYSTEM: PERFORMANCE AGREEMENTS OF THE MUNICIPAL MANAGER AND MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGER FOR 2019-2020</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the signed Performance Agreements of Municipal Manager and Managers directly accountable to the Municipal Manager are submitted to Council in terms of Section 53(3)(b) of the Municipal Finance Management Act.</td>
<td>C38/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council noted that the Municipal Manager and Managers directly accountable to the Municipal Manager signed their Performance Agreements on the 10th of July 2019</td>
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<tr>
<td></td>
<td>c) Council noted that the Performance Agreements were placed in the Municipal Website on the 16th of July 2019 in terms of Section 53(3)(b) and Section 75 of the Municipal Finance Management Act of 2003.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Council noted that the Performance Agreements were submitted to the MEC for Cooperate Governance Human Settlement and Traditional Affairs as well as the Minister for COGTA.</td>
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</tbody>
</table>

CLLR Y SCHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C 24/08/2019 PERFORMANCE MANAGEMENT SYSTEM: THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2019-2020

1. PURPOSE

To submit the Service Delivery and Budget Implementation Plan for 2019-2020 to Council.

2. BACKGROUND

The Draft SDBIP was submitted as part of the Review Integrated Development Plan 2019-2020 which was approved by Council during the meeting held on 29 May 2019.

3. DISCUSSIONS

National Treasury, in MFMA circular 13, outlined the concept of the SDBIP. It is seen as a contract between the Administration, Council and the Community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months.

It is a management, implementation and monitoring tool that will assist the Executive Mayor, Councillors, Municipal Manager, Senior Managers and the Community.

In terms of Section 69 (3)(a) of the Municipal Finance Management Act the Accounting Officer of the municipality must within 14 days after the approval of the budget submit to the Mayor the Draft SDBIP and Draft Performance Agreement

In terms of Section 53 (1)(c) of the Municipal Finance Management Act the Mayor must ensure the following

(i) That the municipality approve its annual budget before the start of the budget year
(ii) 28 days after the approval of the budget approve the SDBIP
(iii) Ensure that Municipal Manager and all Senior Managers signed their Performance Agreement

The Consultative meeting on the Draft SDBIP was held with all the Departments. The Draft SDBIP was submitted to the Executive Mayor on Friday the 14th of June 2019, and the Final SDBIP was submitted to the Executive Mayor on the 28th of June 2019.
4. **RECOMMENDED**

   It is recommended that


4.2. That the Draft and the Final Service Delivery and Budget Implementation Plan for 2019-2020 was submitted to the Executive Mayor in terms of section 53(1)(ii) and 69(3)(a) of the MFMA on the 14th and the 28th of June 2019 respectively.

4.3. That the Service Delivery and Budget Implementation Plan for 2019-2020 was placed in the municipal website on the 16th of July 2019.

4.4. That the Service Delivery and Budget Implementation Plan was submitted to Department of Local Government and Human Settlement as well as the National and Provincial Treasury on the 11th of July 2019.

**ATTACHMENT**

The Service Delivery & Budget Implementation Plan for 2019-2020

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: PERFORMANCE MANAGEMENT SYSTEM: THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2019-2020</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>b) Council noted that the Draft and the Final Service Delivery and Budget Implementation Plan for 2019-2020</td>
<td></td>
</tr>
<tr>
<td></td>
<td>was submitted to the Executive Mayor in terms of section 53(1)(ii) and 69(3)(a) of the MFMA on the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14th and the 28th of June 2019 respectively.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Council noted That the Service Delivery and Budget Implementation Plan for 2019-2020 was placed in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>the municipal website on the 16th of July 2019.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d) Council noted that the Service Delivery and Budget Implementation Plan was submitted to Department</td>
<td></td>
</tr>
<tr>
<td></td>
<td>of Local Government and Human Settlement as well as the National and Provincial Treasury on the 11th</td>
<td></td>
</tr>
<tr>
<td></td>
<td>of July 2019.</td>
<td></td>
</tr>
</tbody>
</table>

**Signatures**

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
C 25/08/2019 REPORT ON THE VISIT OF COMMUNITY SERVICES PORTFOLIO COMMITTEE AND MPAC TO EXISTING FIRE STATIONS IN NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY (NMMDM).

PURPOSE

To report to the Municipal Council about the verification and un conducive environment within Fire Stations reported by Community Services Management; in other areas alarm raised by the Department of Labour.

BACKGROUND

In the previous fiscal years the Directorate Management portrayed to Municipal Administration and Portfolio Committee the adverse conditions in existing Fire Stations within NMMDM administration. The crux of the matter is non compliance with Occupational Health and Safety Act 85 of 1993 (OHS 85/1993) as amended in all Fire Stations in administration of NMMDM plus unavailability of relevant resources but excluding human resources.

Around February 2015, Department of Labour issued a warning against NMMDM for Lichtenburg Fire Station and requested municipality to pull its strings ends together in order to comply with the OHS 85/1993. In response other issues were attended but municipality failed to maintain the standard to date. Even other stations were never attended to date. Our staff members in all regions participated in Occupational Health and Safety Committee with a hope of adding a value in the municipality but those attempts ended in vain due to the failure of municipality to support relevant internal programs that led to the total collapse of the committee.

On the 28th May 2019, Department of Labour closed Ratlou Fire Station due to non compliance with / contravention of OHS 85/1993 which led to cut-off of Fire Brigade Services in Ratlou Local municipality until the 24th June 2019.

Thus based on the aforementioned basis, the members of Community Services Portfolio Committee led by Councillor Priscilla Kwanjite took as resolution to visit all existing Fire Stations in NMMDM administration. The Portfolio Committee decided also to be accompanied by MPAC members.

1.1. Visits schedule:

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Station</th>
</tr>
</thead>
<tbody>
<tr>
<td>08th July</td>
<td>10h00</td>
<td>Ratlou / Setlagole</td>
</tr>
<tr>
<td>08th July</td>
<td>14h00</td>
<td>Tswaing / Delareyville</td>
</tr>
<tr>
<td>09th July</td>
<td>10h00</td>
<td>Ditsobotla / Lichtenburg</td>
</tr>
<tr>
<td>09th July</td>
<td>14h00</td>
<td>Ditsobotla / Itsoseng</td>
</tr>
<tr>
<td>10th July</td>
<td>10h00</td>
<td>Ramotshere-Moiloa / Lehurutshe</td>
</tr>
</tbody>
</table>
NOTE: The aforementioned Schedule was honoured as expected on the 06th July 2019 (Monday), then due to adequate time the Lichtenburg and Itsoseng was also attended to on the same date. Lehurutshe was then attended to on Tuesday, 09th July 2019 to complete the task.

1.2. Members of both Committees:

<table>
<thead>
<tr>
<th>Name</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2.1. Cllr P Kwanaitie</td>
<td>Chairperson (CS Portfolio)</td>
</tr>
<tr>
<td>1.2.2. Cllr J.O. Tselapedi</td>
<td>Chairperson (MPAC)</td>
</tr>
<tr>
<td>1.2.3. Cllr T Maibi</td>
<td>Member</td>
</tr>
<tr>
<td>1.2.4. Cllr I Moloantoa</td>
<td>Member</td>
</tr>
<tr>
<td>1.2.5. Kgosi S.V. Suping</td>
<td>Member</td>
</tr>
<tr>
<td>1.2.6. Cllr S Selepe</td>
<td>Member</td>
</tr>
<tr>
<td>1.2.7. Cllr P Miga</td>
<td>Member</td>
</tr>
<tr>
<td>1.2.8. Cllr G Seetholo</td>
<td>Member</td>
</tr>
<tr>
<td>1.2.9. Cllr R Phetwe</td>
<td>Member</td>
</tr>
</tbody>
</table>

1.3. Officials:

<table>
<thead>
<tr>
<th>Name</th>
<th>Occupation</th>
<th>Department / Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.3.1. Kwena G.G.</td>
<td>Unit Manager</td>
<td>Fire &amp; Rescue Services</td>
</tr>
<tr>
<td>1.3.2. Lesenyego</td>
<td>Head of the Centre</td>
<td>Disaster Management</td>
</tr>
<tr>
<td>1.3.3. Appolos A.K.</td>
<td>District Chief</td>
<td>Fire &amp; Rescue Services</td>
</tr>
</tbody>
</table>

1.4. Stations visits and findings:

<table>
<thead>
<tr>
<th>Stations</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.4.1. Ratlou / Setlagole</td>
<td>a) The actual office within the Complex was closed on the 28th May 2019 by Department of Labour due to contravention of OHS Act 85 / 1993 as amended.</td>
</tr>
<tr>
<td></td>
<td>b) Alternative building has been found at Thusong Community Centre for continuity of Fire Brigade Services in Ratlou.</td>
</tr>
<tr>
<td></td>
<td>c) Skeleton staff members were on duty as others defied the instruction by Accounting Officer / Municipal Manager to return to work with effect from 21st June 2019.</td>
</tr>
<tr>
<td></td>
<td>d) Only one unreliable Grass Unit vehicle, and unequipped light delivery van (bakkie) they were working with.</td>
</tr>
<tr>
<td></td>
<td>e) Other offices were dark including ablutions, no globes</td>
</tr>
<tr>
<td></td>
<td>f) No shelter for big Fire Engines.</td>
</tr>
<tr>
<td></td>
<td>g) No indoor games to keep Fire Fighter afresh</td>
</tr>
<tr>
<td></td>
<td>h) Inadequate furniture</td>
</tr>
<tr>
<td></td>
<td>i) ITC Equipment not yet installed in the new structure</td>
</tr>
</tbody>
</table>
including telephone lines to ease communication with stakeholders/community.

| 1.4.2. Tswaing / Delareyville | a) Operating from a small building provided by Local Municipality.  
b) Staff on duty as expected.  
c) The building is under renovation since February 2019 but there is no scope of work to be done / Job card.  
d) The office Manager doesn’t have a say to Service Provider.  
e) Service Provider gets instructions from NMMDM Head Office (Manager: Supply Chain).  
f) No timeframe for completion of work by Service Provider.  
g) Service Provider is not regular at work, comes on ad-hoc basis.  
h) Most of the work is incomplete, e.g. other toilets are not work albeit new systems installed.  
i) Electrical wires are exposed and not properly insulated for safety.  
j) ITC equipment / systems not yet reinstalled.  
k) No access to internet.  
l) No telephones lines for communication with stakeholders/community.  
m) Two Fire Engines in place but the other one on breakdown. |

| 1.4.3. Lichtenburg / Ditsobotla | a) The existing structure is fully renovated although toilets are leaking.  
b) There is new incomplete structure next to office which is earmarked as Training Gym Room.  
c) The Service Provider abandoned his work, no information provided to the Office Manager / the Commander.  
d) The office Manager doesn’t have a say to Service Provider.  
e) Service Provider gets instructions from NMMDM Head Office (Manager: Supply Chain).  
f) No timeframe for completion of work by Service Provider.  
g) No indoor games to keep Fire Fighter afresh  
h) Inadequate furniture.  
i) No operational Fire Engines, all with Services |
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

<table>
<thead>
<tr>
<th>Providers through Fleet Management Unit.</th>
</tr>
</thead>
<tbody>
<tr>
<td>j) Staff on duty as expected although no resources.</td>
</tr>
</tbody>
</table>

1.4.4. Itsoseng / Ditsobotla

| a) Operating from small dwelling structure with inadequate space (environment). |
| b) Staff on duty as expected although Fire Engines are with Services Providers. |
| c) No shelter for Fire Engine / vehicles. |
| d) No indoor games to keep Fire Fighter afresh |
| e) Inadequate furniture. |
| f) No operational Fire Engines, all with Services Providers through Fleet Management Unit. |
| g) In adequate office space, staff clustered in minute structure. |

1.4.5. Lehurutshe / Ramotshere - Moria

| a) This is the only Fire Station owned by NMMDM, which has eighteen (18) family flats plus one (1) separate Manager house which are really dilapidated due to lack of maintenance plan to sustain their actual life span. |
| b) Staff on duty as expected. |
| c) Only one Fire Engine and one Hazmat vehicle are operational, others with Services Providers through Fleet Management Unit. |
| d) No shelter for Fire Engine / vehicles. |
| e) No indoor games to keep Fire Fighter afresh. |
| f) Inadequate furniture. |
| g) ITC equipment / systems installed but not assisting in terms of telephones and internet. |
| h) No access to internet. |
| i) No indoor games to keep Fire Fighters afresh. |
| j) Staff bought themselves a television set. |
| k) Poor lighting in entire office. |

2. RECOMMENDATIONS

2.1. Municipal Council to note the report
2.2. Development Plan to be put in place for the permanent stations to be constructed
2.3. Jojo tanks to be erected in all the stations as there is a serious issue of shortage of water.
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

2.4. Request two males and two females from EPWP to assist with cleaning facilities in all the fire stations

2.5. To apply a no work no pay strategy to employees not responding to their working duties

2.6. Until the service provider produces the specification, he was given for the renovation of Tswaing fire station he should not be paid
   b. To request a transfer of title deed from Ditsobotla Local Municipality regarding Ditsobotla fire station
   c. Senior Manager to arrange for the contract to be drawn between Tswaing Local Municipality and NMMDM regarding the building renovated
   d. To request Porter camps for FIRE, MHS and DISASTER SERVICES at premises as the building is small to occupy all the three services
   e. Manager ITC to assist with regards to the installed ITC equipment: telephone lines not working and unavailable network

5. CONCLUSION:

During 2012 / 13 fiscal year management submitted a fully informed PLAN for the entire NMMDM operational area which could have addressed the aforementioned gaps. This plan went through to Council, unfortunately it was not funded although the Resolution was taken to seek funding from DBSA but to date no feedback to that effect.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: REPORT ON THE VISIT OF COMMUNITY SERVICES PORTFOLIO COMMITTEE AND MPAC TO EXISTING FIRE STATIONS IN NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY (NMMDM)</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 August 2019</td>
<td>a) Council noted the report</td>
<td>C40/2019</td>
</tr>
<tr>
<td></td>
<td>b) Council resolved that the Development Plan to be put in place for the permanent stations to be constructed</td>
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</tr>
<tr>
<td></td>
<td>c) Council resolved that Jojo tanks to be erected in all the stations as there is a serious issue of shortage of water.</td>
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<tr>
<td></td>
<td>d) Council resolved that two males and two females from EPWP to assist with cleaning facilities in all the fire stations</td>
<td></td>
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<td></td>
<td>e) Council resolved that No work No pay rule be applied to employees not reporting for their duties.</td>
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<tr>
<td></td>
<td>f) Council resolved that until the service provider produces the specification he was given for the renovation of Tswaing fire station he should not be paid</td>
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<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<tr>
<td></td>
<td>g) Council resolved that it will request a transfer of title deed from Ditsobotla Local Municipality regarding Ditsobotla fire station.</td>
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<tr>
<td></td>
<td>h) Council resolved that the Senior Manager arrange for the contract to be drawn between Tswaing Local Municipality and NMMDM regarding the building renovated</td>
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<td>i) Council resolved it will request porter camps for FIRE, MHS and DISASTER SERVICES at premises as the building is small to occupy all the three services</td>
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<tr>
<td></td>
<td>j) Council resolved that the manager ICT must assist with regards to the installed ICT equipment: telephone lines not working and unavailable network</td>
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**NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY**

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**CLLR Y SEOARO**  
COUNCIL SPEAKER

**MR. O.A LOSABA**  
MUNICIPAL MANAGER
ADDENDUM 2  
MUNICIPAL PUBLIC ACCOUNTS COMMITTEE DRAFT ACTIVITY PLAN/PROGRAMME.

PURPOSE

To present municipal public accounts committee draft activity plan/programme for noting.

BACKGROUND

Council is vested with the responsibility to oversee the performance of their municipality, as required by the Constitution, the Municipal Finance Management Act and the Municipal System Act. The responsibility of MPAC is important for the oversight process.

A draft activity programme/plan is hereby drafted to notify Council on the activities to be taken by MPAC for the year 2019/2020.

ATTACHED

Ngaka Modiri Molema District Municipality draft activity plan/programme.

RECOMMENDATIONS:-

3.1. That Council noted draft activity plan/programme.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE DRAFT ACTIVITY PLAN/PROGRAMME.</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER