SC 01/05/2019  PLANNING AND DEVELOPMENT: FINAL 2019/20 IDP DOCUMENT

PURPOSE
To present 2019/20 Final IDP document to Council Members for adoption

BACKGROUND
In terms of the Local Government Municipal Systems Act, 2000 Section 34(a) (i) the Municipality must review its Integrated Development Plan annually in accordance with an assessment of its performance measurement to the extent that changing circumstances so demand.
In terms of Section 153 of the Constitution “municipality must structure and manage its administration and budget processes to give priority to the basic needs of the community and promote the social and economic development of the community”

DISCUSSION
Integrated Development Planning is a process whereby a municipality prepares its strategic development plan for a five-year cycle directly linked to the term of office of its Council. The Integrated Development Plan (IDP) is the principal strategic planning instrument, which guides and informs all planning, budgeting and development in the Ngaka Modiri Molema District (NMMDM) Municipal area. NMMDM already adopted its five-year 4th Generation Integrated Development Plan (IDP) for 2017-2022 and this is the second draft review of the IDP as per section 34 of the Municipal Systems Act, 2000 (Act 32 of 2000). This review is not an attempt to rewrite the five-year IDP and must be read in conjunction with the five-year plan, adopted on 30 May 2017.

COMPONENTS OF IDP
The Municipal Systems Act (Act 32 of 2000) stipulates quite clearly that the following components must be included in a credible IDP:
• The vision of the Council for long term development and institutional transformation
• An assessment of the existing level of development and access to basic services of communities
• Strategic objectives and development priorities which the Council is going to focus on in the 5 years of its elected term
• A comprehensive financial plan which will ensure financial sustainability of the municipality in order to achieve such development priorities
• Clearly defined key performance indicators and targets as part of the Performance Management System (PMS) of the municipality
• A summary of the sector plans which will contribute towards the strategic objectives which include the following:
  ➢ Spatial Development Framework
  ➢ LED Strategy
  ➢ Disaster Management Plan
  ➢ Water Service Development Plan
  ➢ Integrated Transport Plan and
  ➢ Integrated Waste Management Plan, etc.
  ➢ Financial Plan

**FOCUS OF 2019/20 FY IDP**

The focus on this review, is not a replacement of the 5-year IDP, nor is it meant to interfere with the long-term strategic direction of the Municipality to accommodate new whims and additional demands and strives to:

* To facilitate ownership amongst Councilors, Officials and the Community as the business plan of the municipality
* To include a long term development strategy that will guide investment in NMMDM
To facilitate joint planning between the different spheres of government and the private sector in the allocation of resources in order to maximize service delivery and development programs

Ensure that IDP is mSCOA Compliant.

NATIONAL KEY PERFORMANCE AREAS

The following are the National Key Performance Areas:-

1. Financial viability and management
2. Infrastructure development and service delivery
3. Good governance and public participation
4. Institutional development and transformation
5. District economic development

District Key Performance Areas and Targets

- KPA 1: Basic Service Delivery and Infrastructure Development
- KPA 2: Municipal Transformation and Organizational Development
- KPA 3: District Economic Development
- KPA 4: Municipal Financial Viability and Management
- KPA 5: Good Governance & Public Participation
- KPA 6: Spatial Rationale

The Key Performance Areas, Key Performance Indicators and Targets of the Municipality will be discussed and finalized with the adoption of the 2018/19 Service Delivery Budget Implementation Plan (SDBIP), with the resultant Strategic Document

BUDGET

The Municipal budget which must be aligned to IDP and also be mSCOA compliant will be divided as follows:
1. 7.1 Operating Expenditure  
2. 7.2 Capital Expenditure  

**SDBIP**  
SDBIP ensures that the District delivers on objectives and targets which are not only aligned with the IDP and budget but they also ensure practical realization of Back to Bašić as well as National Development Plan vision.

**RECOMMENDATION**  
1. That Council Members make inputs and adopt the IDP document.  
2. That the IDP document be submitted to the office of the MEC for Local Government after adoption.  
3. That the IDP document be Publicized after adoption  

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>
                 | 2. Council resolved that the IDP document be submitted to the office of the MEC for Local Government as it has been adopted.  
                 | 3. Council resolved that the IDP document be Publicized after adoption | SC 36/2019 |

CLLR Y SECHOARO  
COUNCIL SPEAKER  

MR. D.A LOSABA  
MUNICIPAL MANAGER
SC 02/05/2019 FINAL BUDGET FOR MTREF 2019/20

ATTACHMENT
2019/20 TO 2021/22 Medium Term Revenue and Expenditure Framework

PURPOSE

The purpose of the report is to table draft 2019/20 Medium-Term Revenue and Expenditure Forecast (MTREF) before Council in terms of Section 16 (2) of the Local Government: Municipal Finance Management Act (Act 56 of 2003) for consideration and adoption.

LEGISLATIVE BACKGROUND

In terms of Municipal Finance Management Act, No. 56 of 2003, Chapter 4, Section 23, consultation on tabled budgets states that:

1) When the annual budget has been tabled, the municipal council must consider any views of
   a) the local community; and
   b) the council National Treasury, the relevant provincial treasury and any provincial and
      national organs of state or municipalities which made submission on the budget.

2) After considering all budget submissions, the council must give the mayor an opportunity-
   a) to respond to the submission; and
   b) if necessary, to revise the budget and table amendments for consideration by the
      council.

3) The National Treasury may issue guidelines on the manner in which municipal councils
   should process their annual budgets, including guidelines on the formation of a committee of
   the council to consider the budget and to hold public hearings.

4) No guidelines issued in terms of subsection (3) are binding on a municipal council unless
   adopted by the council.
RECOMMENDATIONS

It is recommended that council consider and adopt Annual Operating and Capital budget for 2019/20 financial year as indicated below:-

1. Operating revenue framework to the amount of R 775,974 million
2. Operating expenditure budget to the amount of R 847,020 million
3. Capital expenditure budget to the amount of R 347,874 million
4. Total revenue budget of R 1,071,198 billion
5. Grants and subsidies capital to the amount of R 295,564 million
6. Schedule A1 to A10 budget and accompanying supporting tables
7. The budget-related policies accompanying the MTREF budget for 2019/20 MTREF
8. Adopt the cost containment measures as instructed by National Treasury in MFMA Circular No.82, 89, 91, 93 & 94
9. Make 2019/20 draft budget public and invite local community to make inputs
10. Submit both printed and electronic formats to the National Treasury and other relevant provincial treasuries

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>
| 31ST MAY 2019   | Council considered and adopted the Annual Operating and Capital budget for 2019/20 financial year as indicated below:-  
1. Operating revenue framework to the amount of R 775,974 million | SC 37/2019 |
2. Operating expenditure budget to the amount of R 847,020 million
3. Capital expenditure budget to the amount of R 347,874 million
4. Total revenue budget of R 1,071,198 billion
5. Grants and subsidies capital to the amount of R 295,564 million
6. Schedule A1 to A10 budget and accompanying supporting tables
7. The budget-related policies accompanying the MTREF budget for 2019/20 MTREF
8. Council adopted the cost containment measures as instructed by National Treasury in MFMA Circular No.82, 89, 91, 93 & 94
9. Council resolved to make 2019/20 draft budget public and invite local community to make inputs.
10. Council resolved to submit both printed and electronic formats to the National Treasury and other relevant provincial treasuries.
11. Council adopted the MTREF budget for 2019/20 together with its budget related policies.

Cllr Y Sechoaro
Council Speaker

Mr. O.A. Losaba
Municipal Manager
SC 03/05/2019 RESCISSION OF RESOLUTION NO. SC 03/2019 (d) ON THE TERM OF OFFICE OF POLITICAL STAFF

1. PURPOSE

For Council to note the request to rescind Resolution No. SC 03/2019 (d) dated 18th January 2019 regarding the term of office of political staff.

2. BACKGROUND

Council has at its meeting held on the 18th January 2019, resolved [Resolution SC03/2019 (d)] to link the term of office of political staff to the term of council.

<table>
<thead>
<tr>
<th>18 JANUARY 2019</th>
<th>a) Council considered the request made by MPAC to split the merged positions as follows:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>i) Legal Officer</td>
</tr>
<tr>
<td></td>
<td>ii) Research Officer</td>
</tr>
<tr>
<td></td>
<td>iii) Coordinator</td>
</tr>
<tr>
<td></td>
<td>iv) Administrator</td>
</tr>
<tr>
<td></td>
<td>b) Council resolved that Resolution C67/2018 (b) and (c) dated 30th August 2018, be rescinded</td>
</tr>
<tr>
<td></td>
<td>c) Council resolved that the Moratorium be lifted on the Research Officer position and therefore be prioritised and filled as urgently as possible</td>
</tr>
<tr>
<td></td>
<td>d) <strong>Council resolved that the term of office of political staff be linked to the term of Council</strong></td>
</tr>
</tbody>
</table>

Council further resolved through Resolution C16/2017 (d) dated 28th February 2017 that contracts of appointment/deviation be for the term of office of political office bearers, which read as follows:
28 FEBRUARY 2017  

a) Council approved once more deviation on appointments of new personnel, mainly in Political Offices

b) Council resolved that the deviation be for budgeted positions only, i.e. positions that currently have warm bodies

c) Council resolved that positions be advertised externally and internally to avoid audit queries

d) Council resolved the contract of appointment /deviation be for the term of political office bearers

C16/2017

3. MOTIVATION

The council must always take resolutions that are within the ambit of the law and may not take resolutions that are ultra-vires because such can lead to unwanted litigation. In the spirit of good governance council is therefore encouraged to rescind the resolution in line with the directive issued by the MEC for Local Government and Human Settlement dated 31 August 2016.

4. RECOMMENDATIONS

RECOMMENDED

a) That Resolution C16/2017 stands and Resolution SC03/2019 (d) be rescinded based on the legal opinion and the MEC’s directive.
5. ANNEXURES

a) Circular 1 of August 2016 on Lifting of Moratorium and the Conditions to fill vacancies
b) SC05/02/2017 DEVIATION FROM RESOLUTION SC39/2015 ON COST CONTAINMENT MEASURES
c) SC03/01/2019 REQUEST BY THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) TO SPLIT THE MERGED POSITIONS
d) Article Media Statement by Minister Ayanda Dlodlo.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>31ST MAY 2019</td>
<td>Council withdrew the item</td>
<td>SC 38/2019</td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO  
COUNCIL SPEAKER

MR. O.A LOSABA  
MUNICIPAL MANAGER
SC 04/05/2019       UPDATED AND CORRECTED ORGANISATIONAL STRUCTURE

PURPOSE

To request the NMMDM Council to the updates and corrections made on the Organisational Structure

BACKGROUND

The Organisational Structure was last approved by Council (Resolution SC 38/2012) at its special meeting held on the 30th November 2012.

From that date until now, there has been new resolutions taken, errors and anomalies indentified impacting directly on the Staff Establishment which has never been updated nor corrected.

The municipal council further resolved through Resolution C62/2016 to reduce the number of senior managers from nine (9) to four (4). This was to be done in line with the MEC’s Directive dated 15th August 2016 which requested municipalities to provide for at least the following five (5) departments which are to be linked to senior management:

   a) Development and Town Planning Services
   b) Public Works and Basic Services (Technical Services)
   c) Community Services
   d) Financial Services (BTO)
   e) Corporate Support Services

Resolution C67/2018 taken by Council at its meeting held on 30 August 2018, created additional two senior management positions namely:-

   a) Senior Manager in the Office of the EM
   b) Chief Audit Executive

There are duplicated functions e.g. Council Support, Records Management, Messenger, Photocopier, Payroll Specialist functions and others that needs to be thoroughly considered during the REVIEW process

Irregular movement of staff from one Unit/Department to another without correspondence formalising the move

Auditor General of South Africa (AGSA) during his normal audits raised in his Audit Report, a finding that the district municipality has appointed a number of officials outside the
Organisational Structure which lead to irregular expenditure from date of appointment of incumbents

MOTIVATION

The Staff Establishment or Organizational Structure is the design of managerial hierarchy in a municipality, which enables the smooth flow of information, day to day operations of the municipality and reporting lines among the employees.

It is therefore very important, critical and urgent for the municipality to update, correct errors, and any anomaly indentified in the Organisational Structure (Staff Establishment) before a review process can be conducted.

RECOMMENDATION

a) That the NMMDM Council approves the updated and corrected Organisational Structure which incorporated employees appointed outside the Organisational Structure into the Structure at no extra costs.

b) Unnecessary support positions be abolished as soon as they become vacant.

ATTACHMENT

a) Updated and corrected Organisational Structure.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>
| 31ST MAY 2019   | 1. Council approved the updated and corrected Organisational Structure which incorporated employees appointed outside the Organisational Structure into the Structure at no extra costs.  
2. Council resolved that unnecessary positions be abolished as soon as they become vacant | SC 39/2019 |
<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
</table>
| 31<sup>ST</sup> MAY 2019 | 1. Council approved the updated and corrected Organisational Structure which incorporated employees appointed outside the Organisational Structure into the Structure at no extra costs.  
2. Council resolved that unnecessary positions be abolished as soon as they become vacant | SC 39/2019 |

**CLR Y SECHOARO**  
COUNCIL SPEAKER

**MR. O.A LOSABA**  
MUNICIPAL MANAGER
SC 05/05/2019  NMMDM 2018/19 STRATEGIC PLANNING FINAL REPORT

ATTACHED
NMMDM 2018/19 Strategic Planning Final Report

PURPOSE
To bring the NMMDM 2018/19 Strategic Planning Final Report to NMMDM Council for noting.

BACKGROUND
A strategic Planning session was necessary for the Strategic Leadership of NMMDM to review 2018/19 mid-year Financial and SDBIP performance and align their 2018/19 IDP/MTREF/SDBIP accordingly as per applicable legislative requirements. This exercise is further envisaged to assist the Municipality in effective service delivery and improve AGSA audit opinion going forward. The Strategic Planning session was held on 21-23 January 2019 at Kedar Lodge and was attended by Councilors, Senior Management, Unit Managers, and stakeholders which included the Department of Local Government and Human Settlements, SALGA, Department of Water and Sanitation and Sedibeng Water. The session was facilitated by Mr. Nkomo from Cutting Edge Consultancy who also drafted the final report.

The final NMMDM 2018/19 Strategic Planning Report was tabled before the Extended Management meeting on the 18 February 2019 by the consultant who was assisting the municipality to facilitate the process. The report was interrogated and adopted by Extended Management with responsibilities allocated to specific Champions and teams to deal with.

The Extended Management meeting resolved to monitor and evaluate progress on implementation of the Strategic Planning Report and report back bi-weekly at the Champions Meetings chaired by the Municipal Manager.
RECOMMENDATIONS
That NMMDM Council approves and implement the NMMDM 2018/19 Strategic Planning Report.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>31ST MAY 2019</td>
<td>Council approved the NMMDM 2018/19 Strategic Planning Report and resolved that the report be implemented.</td>
<td>SC 40/2019</td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
SC 06/05/2019 BUDGET RELATED POLICIES

1. PURPOSE

The purpose of this Item is to ensure that the budget related policies be tabled before council.

2. BACKGROUND

Policy development in the municipality is an on-going process to ensure that the process is carried out and all policies are compiled and developed appropriately.

Section 17 (1) (e) of the Municipal Finance Management Act requires municipalities to submit any proposed amendments to the budget related policies to the municipal council for consideration.

In terms of the Government Gazette No. 32141 “Schedule A: Annual Budgets and Supporting Documentation of Municipalities” Clause 15(a) & (b) states that overview of budget related policies must include the following:

a) a list of the budget-related policies of the municipality including a reference of where the public can locate them; and
b) the proposed amendments to the budget-related policies considered in preparing the annual budget explaining the service delivery and financial implications for the budget year and at least the two outer years.

2.1 The following is the list of budget-related policies as divided in the four categories namely;

(a) Policies without review
(b) Policies under review
(c) New policies
(d) Policies to be developed
<table>
<thead>
<tr>
<th>Department</th>
<th>Policies without review</th>
<th>Reviewed Policies</th>
<th>New Policies</th>
<th>Policies to be developed</th>
</tr>
</thead>
</table>
| Budget and Treasury / Finance | Inventory Management Policy  
Asset Management Policy  
Municipal Budget Policy  
Cash Management and Investment Policy  
Funding and Reserves Policy  
Borrowing Policy  
Contingent liabilities and Contingent Asset Policy | Tariff Policy  
Supply Chain Management Policy  
|                            |                                                                                         | Subsistence and Travelling Policy  
Virement Policy  
Unauthorised, Irregular Fruitless and Wasteful expenditure policy.  
|                            |                                                                                         |                                                                                  | Intangible Assets  
Insurance Policy |
| Corporate Services          | Job Evaluation Policy  
Back up policy  
User Account and Password Policy  
IT security Policy  
Cell Phone Policy  
Antivirus Policy  
Firewall Policy  
Municipal ICT  
Governance Policy | Employee Wellbeing Program Policy (EWP Policy)  
Safety Health & Environmental Policy (SHE Policy)  
Transport and Fleet Management Policy  
Retention and Attraction Policy  
Recruitment and Selection Policy  
Leave Policy  
Skills Development Policy  
Remuneration Policy  
Substance Abuse and addiction Policy  
Record Management Policy  
Overtime Policy | Acting Policy  
First Aid Policy  
Dress Code  
Framework  
Security (vetting) Policy  
Induction Policy  
Performance Management Policy  
HIV and AIDS Policy | Parking Policy |
<table>
<thead>
<tr>
<th>Department</th>
<th>Policies without review</th>
<th>Reviewed Policies</th>
<th>New Policies</th>
<th>Policies to be developed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and Town Planning</td>
<td>EPWP Policy</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Political Offices</td>
<td>Anti-Fraud and Corruption Policy</td>
<td>Bereavement Policy</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Municipal Manager's Office</td>
<td>Communication Policy</td>
<td>None</td>
<td>None</td>
<td>Risk Management Framework Policy</td>
</tr>
<tr>
<td>Community Services and Safety</td>
<td>Performance Management System Framework</td>
<td>None</td>
<td>Rank Progression Policy</td>
<td>None</td>
</tr>
<tr>
<td>Public Works and Basic Services (Technical Services)</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>Yard Connection Policy</td>
</tr>
<tr>
<td>Internal Audit Shared Services</td>
<td>None</td>
<td>None</td>
<td>None</td>
<td>Indigent and Local Transfer Policy</td>
</tr>
</tbody>
</table>

**NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY**
3. MOTIVATION

3.1 The success of the institution depends on a performance-based culture that is guided by good policies that should be in place to manage personnel, organisational behaviour and the way we conduct ourselves. It is therefore vital to put sound policies in place.

4. RECOMMENDATIONS

4.1 That council notes and approve the budget related policies.

5. ATTACHED POLICIES

5.1 Unauthorized, Irregular, Fruitless and Wasteful Expenditure Policy.
5.2 Cost Containment Measures Policy
5.3 Supply Chain Management Revised Policy
5.4 Final Virement Policy
5.5 Final Tariffs Policy
5.6 Final Subsistence and Travel Allowance policy and
5.7 Other related policies as listed at 2.1 above

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>31ST MAY 2019</td>
<td>Council noted and approved the budget related policies.</td>
<td>SC 41/2019</td>
</tr>
</tbody>
</table>

CLLR Y SECHOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER
SC 07/05/2019

DISPOSAL OF BROKEN ASSETS FROM MUNICIPAL FIXED ASSET REGISTER.

1. PURPOSE

1.1 To dispose of any broken, un-serviceable and redundant movable asset in the asset register of Ngaka Modiri Molema District Municipality to the total value of R 3 515 045.59.

2. BACKGROUND

2.1 Ngaka Modiri Molema District Municipality has been advised by management that the broken movables in the asset register needs to be disposed of.

2.2 Ngaka Modiri Molema District Municipality did asset verification during the 2019 financial year. The verification identified broken assets currently in the asset register of Ngaka Modiri Molema District Municipality.

2.3 The total value stipulated above is exclusive of 2019 financial year depreciation.

2.4 Management through the guidance of GRAP 17 and SCM policy: Asset Disposal guidelines.

3. RECOMMENDATION

3.1 To remove movables assets from the asset register of Ngaka Modiri Molema District Municipality which are completely broken, unserviceable and redundant with total cost value of R 3 515 045.59.

3.2 That the broken assets be removed from the premises of Ngaka Modiri Molema District Municipality through donation to NGO’s and the remainder be delivered in the dumping area.

2.3 Vehicles and trucks disposal be done through auction.

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>31ST MAY 2019</td>
<td>1. Council resolved and approved to remove movables assets from the asset register of Ngaka Modiri Molema District Municipality which are</td>
</tr>
</tbody>
</table>

RESOLUTION NUMBER: SC 42/2019
NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>completely broken, unserviceable and redundant with total cost</td>
<td>2. Council resolved and approved that the broken assets be</td>
</tr>
<tr>
<td>value of <strong>R 3 515 045.59</strong>.</td>
<td>removed from the premises of Ngaka Modiri Molema District</td>
</tr>
<tr>
<td></td>
<td>Municipality through donation to NGO's and the remainder be</td>
</tr>
<tr>
<td></td>
<td>delivered in the dumping area.</td>
</tr>
<tr>
<td></td>
<td>3. Council resolved and approved that vehicles and trucks</td>
</tr>
<tr>
<td></td>
<td>disposal be done through auction.</td>
</tr>
</tbody>
</table>

CLLR Y SCHOARO  
COUNCIL SPEAKER

MR. O.A LOSABA  
MUNICIPAL MANAGER
SC 08/05/2019  REMOVAL OF THE ROAD INFRASTRUCTURE FROM NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY FIXED ASSET REGISTER.

1. PURPOSE

1.1 To remove the road infrastructure assets from Ngaka Modiri Molema District Municipality’s fixed asset register to Local Municipalities as per MEC promulgation of roads to local municipalities.

2. BACKGROUND

2.2 Ngaka Modiri Molema District Municipality has been advised by management that it doesn’t fall within the district’s powers and functions to own any road infrastructure assets.

2.3 The District Municipality therefore has to remove the road infrastructure from its asset register.

3. DISCUSSION

3.1 Municipal Infrastructure Act section 84 relating to divisions and powers of the district and local municipalities sub-item (1) declares district municipality functions and powers for Municipal roads which form an integral part of road transport system for the area of the district municipality as a whole in terms of paragraph (f).

3.2 Management through the guidance of the "section 85 of the municipal systems act" has concluded to remove the road infrastructure assets. Ngaka Modiri Molema District Municipality will maintain its KPI (Maintenance Functions) to support the local municipalities.

3.2 In terms of section 85 of the municipal systems act, "the MEC for local government in a province may adjust the division of functions and powers between a district and a local municipality as set out in section 84(1) or (2). The powers and functions of municipalities are assigned in terms of the sections 12 notices establishing municipalities. It was practice that the MEC adjust the powers and functions of municipalities in the North West Province annually by way of government gazettes, the last of which were in notice no.386 in GG6505 of June 2008 and notice no. 195 in GG6648 OF 17 June 2009."
3.3 Based on 3.2 above the MEC declared and promulgated function of roads in the district by assigning to locals municipalities in all instances in the province. Local municipalities has been disclosing the roads in there Fixed Asset Register.

4. RECOMMENDATION

4.1 To remove the road infrastructure from the fixed asset register of Ngaka Modiri Molema District Municipality as per North West Province annually by way of government gazettes, the last of which were in notice no.386 in GG6505 of June 2008 and notice no. 195 in GG6648 OF 17 June 2009 declaring roads belonging to Local Municipalities.

4.2 Ngaka Modiri Molema District Municipality will maintain its KPI (Maintenance Functions) to support the local municipalities.

4.3 That the road council resolution removal be send to all local municipalities for acceptance as roads transfer from District Municipality to Local Municipalities as per attached value amount lists indicated below:-

<table>
<thead>
<tr>
<th>INSTITUTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ditsobotla Local Municipality</td>
<td>12 814 311,87</td>
</tr>
<tr>
<td>Mafikeng Local Municipality</td>
<td>29 967 826,55</td>
</tr>
<tr>
<td>Ramotshere Local Municipality</td>
<td>50 269 838,36</td>
</tr>
<tr>
<td>Ratlou Local Municipality</td>
<td>33 177 597,64</td>
</tr>
<tr>
<td>Tswaing Local Municipality</td>
<td>19 125 616,83</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DATE OF MEETING</th>
<th>RESOLUTION</th>
<th>RESOLUTION NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>31ST MAY 2019</td>
<td>1. Council resolved and approved the removal of the road infrastructure from the fixed asset register of Ngaka Modiri Molema District Municipality as per North West Province annually by way of government gazettes, the last of which were in notice no.386 in GG6505 of June 2008 and notice no. 195 in GG6648 OF 17 June 2009 declaring roads belonging to Local Municipalities.</td>
<td>SC 43/2019</td>
</tr>
<tr>
<td></td>
<td>2. Council resolved that Ngaka Modiri Molema District Municipality will maintain its KPI (Maintenance Functions) to support the local municipalities.</td>
<td></td>
</tr>
</tbody>
</table>
3. Council noted that the road council resolution removal will be send to all local municipalities for acceptance as roads transfer from District Municipality to Local Municipalities as per attached value amount lists indicated below:

<table>
<thead>
<tr>
<th>INSTITUTION</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>Ditsobotla Local Municipality</td>
<td>12,814</td>
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<td>311,87</td>
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<tr>
<td>Mafikeng Local Municipality</td>
<td>29,967</td>
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<tr>
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<td>826,55</td>
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<tr>
<td>Ramotshere Local Municipality</td>
<td>50,269</td>
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<td>838,36</td>
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<td>Ralei Local Municipality</td>
<td>33,177,597,64</td>
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<tr>
<td>Tswaing Local Municipality</td>
<td>19,125</td>
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<td>616,83</td>
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</tbody>
</table>

CLLR Y. SCEOARO
COUNCIL SPEAKER

MR. O.A LOSABA
MUNICIPAL MANAGER