

MINUTES OF AN ORDINARY COUNCIL MEETING OF THE KOUGA MUNICIPALITY HELD AT THE KOUGA COUNCIL CHAMBER (JEFFREYS BAY UNIT) ON THURSDAY, 30 JANUARY 2020 AT 10:00

PRESENT: Councillors

H Bornman	(Speaker)
H Hendricks	(Executive Mayor)
D Benson	
F Baxter	
BF Rheeder	(Alderman)
B Dhludhlu	
Cllr F Campher	
L Vorster	
W Coenraad	
NS Botha	
R Jantjies	
T Jantjes	
WPD Gertenbach	
C August	
M Biko	
M van Niekerk	
M Dayimani	
E Februarie	
V Vumazonke	
S Makasi	
M Peters	
P Oliphant	
A Mabukane	
P Nkwalase	
J Mayoni	
S Jujwana	
C Matroos	

**Officials &
Municipal Manager**

C du Plessis	(Municipal Manager)
F Mabusela	(Director: Planning, Dev & Tourism)
S Abrahams	(Acting: CFO)
V Felton	(Director: Infrastructure & Eng)
K Moodley	(Director: Corporate Services)
N Machelesi	(Director: Community Services)
L Opperman	(Manager: Legal Services)
A Koegelenberg	(Manager: PMS)
D de Jager	(Manager: HR)
M Rossouw	(Acting Manager: Administration)
B de Groot	(Sen Admin Officer: Committees)

**Office of the
Auditor General**

A Stapelberg

1. **NOTICE OF MEETING**

The Speaker read the notice convening the meeting.

2. **OPENING AND WELCOME**

The Speaker welcomed everyone present to the meeting and requested Cllr C August to open the proceedings with a prayer.

The Speaker extended a special welcome to all Councillors and wished all a prosperous 2020.

3. **WITH LEAVE OF ABSENCE**

B Williams
Cllr T Meleni - Sick Leave

4. **WITHOUT LEAVE OF ABSENCE**

None

5. **PRESENTATION**

None

6. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

Birthday wishes to Cllr Nkwalase
Cllr Dayimani welcomed Cllr Campher back after a long illness
Cllr Meleni to remain in prayers due to his illness

7. **STATEMENTS OR COMMUNICATION BY THE SPEAKER**

The Speaker congratulated the Executive Mayor and commended all Kouga officials who were involved in delivering services to the area during the summer festive season. Many tourists visited Kouga which means economic stability. The festive season proved to be very successful thereby boosting tourism in Kouga.

The Speaker stated that 2019 ended on a high note in terms of challenges and achievements and once again thanked all Councillors for their input and productive debates in Council. The aim is to make Kouga Municipality the best Municipality in the Eastern Cape in terms of service delivery and good governance. The Speaker also urged that all Councillors continue to participate positively in Council debates during 2020 as the vision is to place the community interests first and to not be fearful in making decisions in terms of the way forward for Kouga. The Speaker shared the following quote:-

"Great men discuss ideas,
Average men discuss events,
Small or weak men discuss other people"

8. **STATEMENTS OR COMMUNICATION BY THE EXECUTIVE MAYOR**

The Executive Mayor welcomed all Councillors, Municipal Manager, Directors, officials, public and media to the meeting and wished everyone a prosperous 2020.

The Executive Mayor congratulated the Senior Administration Officer: Committees with gratitude for capturing the minutes of all Council meetings and stated that it was of a very high standard. When things are done well, its not always recognised. While going through the minutes of Council, he found it impeccable and would like to express in front of Council, a word of gratitude for a job well done.

The Executive Mayor stated that over the past 3 years, Council led by the current Governing Body, has a number of achievements, namely;-

1. Clean Record of Governance and stability in the Municipality;
2. Improvement in the service delivery fleet which is operational again;
3. Significant difference at the Call Centre with the link App which has made a huge difference in improving service delivery to the community;
4. Resilience against drugs and crime;
5. Progress on Housing projects especially Stofwolk and those still in the pipeline, is a testimony of how serious social responsibility is taken;

The Executive Mayor further stated that the Ruling Party has always had the mandate from the majority electorate to turn Kouga Municipality around on year-on-year.

The Executive Mayor stated that the 2nd Draft Annual Report with the Auditor General's Report is being tabled, reflecting on performance for the year under review. Kouga Municipality is accountable to the community.

The Executive Mayor expressed good wishes to MPAC and the Committee in doing the oversight during the upcoming month which will reveal the performance of the Municipality in the community of Kouga.

The Executive Mayor raised serious concern in respect of expenditure on internal as well as external capital projects and undertook to issue a letter to all senior management expressing his dismay.

Lastly, the Executive Mayor advised that the Adjustments Budget process is in progress and a workshop will be called to fully engage with Ward Councillors to take cognisance of fund allocation in respective Wards. The workshop to engage on the Adjustments Budget is envisaged to take place prior to submission to Council at the end of February 2020.

9. **REPORT BACK: SARAH BAARTMAN DISTRICT MUNICIPALITY REPRESENTATIVES**

20/01/SBDM1 **SARAH BAARTMAN DISTRICT MUNICIPALITY REPORT**

Resolved (30 January 2020)

1. That the Sarah Baartman District Municipality report be noted.
2. That it be noted that at the meeting held on 16 October 2019, it was resolved that Ndlambe and Kouga Municipality be added to the drought current status.

10. **REPORT BACK: INTERGOVERNMENTAL RELATIONS FORUM (IGR)**

20/01/IGR1 **MINUTES OF THE INTER GOVERNMENTAL RELATIONS STEERING COMMITTEE**

Resolved (30 January 2020)

1. That the minutes of the Intergovernmental Relations Steering Committee be noted.

11. **REPORT BACK: MUNIMEC**

None

12. **DECLARATION OF INTEREST**

None

13. **STATUTORY MATTERS**

14. **CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETINGS**

- 14.1 The minutes of the Special Council meeting held on 25 November 2019 were confirmed and accepted.

Proposed: B Rheeder

Seconded: B Dhludhlu

- 14.2 The minutes of the Ordinary Council meeting held on 12 December 2019 were confirmed and accepted.

Proposed: B Rheeder

Seconded: W Coenraad

15. **MATTERS DEALT WITH IN TERMS OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR**

(The reports by the Executive Mayor, in terms of the provisions of Section 63 of the Local Government Municipal Systems Act, 32 of 2000, on matters dealt with by the Executive Mayor in terms of delegated authority as detailed in the Minutes to be noted).

16. **MINUTES AND REPORTS OF COMMITTEES OF THE COUNCIL**

16.1 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Dealt with under the Confidential Section of the agenda.

16.2 **KOUGA AUDIT COMMITTEE**

20/01/KAC1 MINUTES OF THE KOUGA AUDIT COMMITTEE

Resolved (30 January 2020)

1. That the minutes of the Kouga Audit Committee of 26 June 2019 and 27 August 2019, be noted.

16.3 **RULES & ETHICS COMMITTEE**

Dealt with under the Confidential Section of the agenda.

17. **REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER**

20/01/MM1 COUNCIL RESOLUTIONS FOR 12 DECEMBER 2019

Resolved (30 January 2020)

1. That the updated Action Sheets reflecting resolutions of the Ordinary Council meeting for 12 December 2019 be noted.
2. That it be noted that the Action Sheets are referred to Top Management meetings for discussion and progress reports are to be submitted to respective Portfolio Committee meetings.
3. That the management/custodianship initiatives of all Kouga Sports fields in respective Wards be considered following public participation process (**refer to item 19/10/CS13 – Custodianship: Kruisfontein Sports Field**).
4. That the relevant Directorate submit a status report on the selling of the 98 High Water Table erven: Kruisfontein (**19/10/PD3**) to the next Council meeting.

5. That the relevant Directorate submit a status report on the development proposal on portion of erf 499: Humansdorp **(19/12/PD6)** to the next Council meeting.

20/01/MM2 2ND DRAFT ANNUAL REPORT (2018/2019)

Cllr W Gertenbach stated that the members of MPAC have been scrutinizing the 2nd Draft Annual Report over the past 5 months at MPAC meetings and have pointed out areas of concern with no feedback from the relevant Directorates, which is unacceptable.

Cllr W Gertenbach informed Council that community public meetings have been scheduled for 3 March 2020 (Jeffreys Bay), 5 March 2020 (Humansdorp) and 6 March 2020 (Hankey).

Cllr Februarie stated that consequence management should be implemented against those Directorates who are not submitting information as requested and should be recommended by MPAC for the Accounting Officer to follow due processes.

The Executive Mayor stated that senior officials are not taking the content of the Annual Report seriously thus resulting and constituting maladministration therefore consequence management needs to be implemented.

Resolved (30 January 2020)

1. That the 2nd Draft of the 2018/19 Annual Report be noted in terms of the provisions of Section 127(1) of the Municipal Finance Management Act (Act 56 of 2003).
2. That the Accounting Officer in terms of Section 127 (5) of the MFMA, and in accordance with Section 21 (A) of the Municipal Systems Act:
 - a) Make public the Annual Report; and
 - b) Invite the Local Community to submit inputs and comments on the 2nd Draft Annual Report.
 - c) Submit the Annual Report to:
 - The Auditor-General;
 - The Provincial Treasury;
 - The Provincial Department for Local Government;
 - Other institutions as prescribed by legislation.
3. That the 2nd Draft Annual Report for the 2018/19 financial year be tabled to the Kouga Audit Committee for consideration.

4. That an Oversight Report on the 2nd Draft 2018/19 Annual Report be prepared by the Municipal Public Accounts Committee in terms of Section 129 of the MFMA to be tabled to the Council at the end of March 2019.
5. That it be noted that prior to the scheduled community public participation meetings for 3 March 2020 (Jeffreys Bay), 5 March 2020 (Humansdorp) and 6 March 2020 (Hankey) the content of the Annual Report be verified as truthful and accurate.

20/01/MM3 DONATION FOR THE BIKER'S FESTIVAL TO BE HELD ON 28 FEB-1 MARCH 2020

The Municipal Manager advised that the Event Organizer presented to Council on 29 August 2019. Funding is available on certain votes which will need to be re-directed in terms of the Virement Policy to host the event and adjustments may be done on the Adjustments Budget.

Cllr Dayimani stated that he fully supports the Biker's Festival in Kouga but is not in agreement with the re-direction of funds and proposed to wait for the Adjustments Budget.

Reference was made to the Donations Policy approved by Council in July 2018:-

"7.5 The donations budget vote may not be supplemented by way of virements".

Cllr Februarie stated that on 29 August 2019 it was not resolved to give funds for the hosting of the event and was of the opinion that it was illegal to redirect funds not yet approved in the Adjustments Budget.

The Acting CFO stated that Council may resolve to allocate funds from the Donations Budget which has been approved.

Cllr Dayimani stated that subject to approval of funds and due processes being followed, all Wards should be allowed the opportunity to host events in respective Wards to promote tourism in Kouga.

Cllr Gertenbach proposed that Council approve the redirection of funds in terms of the Virement Policy subject thereto that the correction be made in the Adjustments Budget.

Resolved (30 January 2020)

1. That a donation to the amount of R100 000 by the Municipality to WOZA for the Biker's Fest, be approved subject to the prioritization and provision of funds to be made available on the Adjustments Budget.

Proposed: W Gertenbach

Seconded: M Dayimani

20/01/MM4 APPLICATION FOR DONATION BY MIGHTY MEN CONFERENCE

The Speaker requested a 10min caucus to discuss the application.

Cllr Benson stated that in terms of Rule 28.1 of the Standing Rules of Order, the report be withdrawn and that a revised report be submitted for consideration.

Resolved (30 January 2020)

1. That the item be withdrawn, and that the relevant Directorate be requested to submit a revised report to the next Council meeting.

Proposed: M Dayimani

Seconded: R Jantjies

18. REPORTS BY THE EXECUTIVE MAYOR

18.1 REPORTS BY THE CHAIRPERSON: FINANCE

20/01/F1 MID-YEAR FINANCIAL REPORT FOR THE PERIOD JULY TO DECEMBER 2019 AND ASSESSMENT OF THE MUNICIPALITY'S FINANCIAL POSITION AS AT 31 DECEMBER 2019 (2019/20 FINANCIAL YEAR)

Cllr Botha raised concern regarding the following: -

- Drop in Debt Collection of 4 %;
- Underspending on Capital Projects;
- Rentals – income of only 8.29%;
- Fines – low income of 21%;
- Tenders not timeously awarded;
- Contracted Services linked to Capital Budget;
- Roads & Maintenance under-expenditure;
- INEP Grant – less than 1% spent on grant – risk of losing grant;
- Kwanomzamo WWTW – 17% of expenditure;

Cllr Dayimani also expressed concern regarding the low collection rate and the underspending of allocated funds. He also pointed out that proper financial oversight be done by administration in respect of underspending.

The Municipal Manager advised that the Revenue Enhancement Task Team will be scheduling meetings focusing on strategic measure to be implemented to ensure sound financial management. The Municipal Manager advised on the procurement process and indicated that some tenders are referred back due to lack of criteria or returnable documents, which results in delays and extension of tenders.

Cllr Oliphant requested that the concerns need to be addressed in the report submitted to Council as the feedback is of essence but is not included in the reports.

Resolved (30 January 2020)

1. That the Municipal Manager's report on the Mid-year Budget and Performance Assessment of the municipality, in accordance with Section 72(1)(a) of the MFMA, be noted.
2. That the Executive Mayor's report on the implementation of the budget and the financial state of affairs of the municipality, in accordance with Sections 52(d), 54(1)(f) and 72 of the MFMA, be noted.
3. That an Adjustments Budget, based on the realistically anticipated revenues, in line with section 18 of the MFMA, be tabled by the Executive Mayor to the Council.
4. That the 2019/20 Adjustments Budget be tabled by the Executive Mayor to the Council on 28 February 2020.
5. That the Mid-year report accordingly be submitted to National Treasury and Provincial Treasury, in line with Section 72(1) (b) of the MFMA.
6. That the Accounting Officer submit a report on the mid-year figures based on the concerns raised to the next Finance Portfolio Committee meeting.

20/01/F2 BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 DECEMBER 2019

Resolved (30 January 2020)

1. That the Municipal Manager's report on the withdrawals that were made in terms of section 11(1) (b) to (j) of the MFMA for the quarter ended 31 December 2019, be noted.
2. That the report accordingly be submitted to the Provincial Treasury and Auditor-General as determined by section 11(4) (b) of the MFMA.

18.2 **REPORTS BY THE CHAIRPERSON: CORPORATE SERVICES**

None

18.3 **REPORTS BY THE CHAIRPERSON: INFRASTRUCTURE & ENGINEERING**

None

18.4 **REPORTS BY THE CHAIRPERSON: COMMUNITY SERVICES**

None

18.5 **REPORTS BY THE CHAIRPERSON: PLANNING AND DEVELOPMENT**

20/01/PD1 COUNCIL'S FINAL APPROVAL FOR DISPOSAL AND ALIENATION OF MUNICIPAL ERVEN (ERF 2078, 2079, 2081, 2082, 3296 AND 3297 HUMANSDORP) – INDUSTRIAL 1

The Executive Mayor proposed that the proceeds in the amount of R11,4m from the sale of the land be allocated as follows:-

Proposal 1

R4m to the Wheelie Bin Program;
R7,4m to the paving of gravel roads;

Proposed: H Hendricks

Seconded: B Dhludhlu

Cllr Dayimani stated that the Opposition Party was not against the sale of the land, as previously pointed out in Council but was opposed to the procedure and processes followed in terms the allocation of the funds.

Alderman Rheeder proposed the following amendment:-

Proposal 2

That the amount of R11,4m from the sale of land and the allocation/spending thereof be captured and addressed in the Adjustment Budget.

Proposed: B Rheeder

Seconded: C August

The Executive Mayor retracted his proposal but reiterated that the allocation of funds from the sale of land be reserved for the Wheelie Bin Programme and the paving of gravel roads in Kouga.

Cllr P Oliphant stated that the Opposition Party did not support the item and requested a Division of Votes.

Division of Votes (Proposal 2)

In favour of the recommendation, with amendments:-

Cllr D Benson
Cllr F Baxter
Cllr B Dhludhlu
Cllr B Rheeder
Cllr L Vorster
Cllr F Campher
Cllr W Gertenbach
Cllr N Botha
Cllr R Jantjies
Cllr C August

Cllr M van Niekerk
Cllr M Biko
Cllr W Coenraad
Cllr T Jantjes
Cllr H Hendricks
Cllr H Bornman

(Cllr B Williams not in attendance at the Council meeting)

Not in favour of the recommendation, with amendments:-

Cllr P Oliphant
Cllr M Dayimani
Cllr E Februarie
Cllr Z Mayoni
Cllr A Mabukane
Cllr M Peters
Cllr C Matroos
Cllr L Vumazonke
Cllr C Makasi
Cllr S Jujwana
Cllr P Nkwalase

(Cllr T Meleni not in attendance at the Council Meeting)

Resolved (30 January 2020)

1. That Council approves the disposal and alienation of the following erven: Erf 2078,2079,2081,2082,3296 and 3297 Humansdorp at the selling price of R11 400 000,00 (Eleven million four hundred thousand Rand).
2. That the Accounting Officer be authorised to enter into a Deed of Sale with the successful bidder for the alienation and disposal of Erf 2078,2079,2081,2082,3296 and 3297 Humansdorp as per the outcome of the competitive bidding tender process followed under Tender Notice 127 of 2019.
3. That the amount of R11,4m derived from the sale of land as well as the allocation/spending thereof, be captured and addressed in the Adjustments Budget.

Proposed: B Rheeder

Seconded: C August

19.6 **REPORTS BY THE CHAIRPERSON: LOCAL ECONOMIC DEVELOPMENT & TOURISM**

None

21. **CLOSURE**

The Speaker thanked all present for their valuable input and moved onto the confidential section of the agenda.

The meeting closed at 13:15 for In Committee discussions.



H BORNMAN
SPEAKER

28 February 2020

DATE
