

**RUSTENBURG
LOCAL MUNICIPALITY**

MINUTES OF THE (09/2022) ***SPECIAL*** COUNCIL MEETING OF THE RUSTENBURG
LOCAL MUNICIPALITY HELD ON TUESDAY THE **21 JUNE 2022** AT 10H25,
COUNCIL CHAMBER, RUSTENBURG CIVIC CENTRE.

PRESENT

Cllr Mogomotsi K	-	Speaker
Cllr Mabale-Huma SSK	-	Executive Mayor
Cllr Bogatsu P N		
Cllr Bossau A A		
Cllr Bridger A T		
Cllr Coetzee M		
Cllr Cronje J C		
Cllr de Beer J M		
Cllr Dumani M C		
Cllr Edwards I		
Cllr Fulani W		
Cllr Gaonakala M I		
Cllr Grove A S		
Cllr Keyser J		
Cllr Kgotse P C		
Cllr Khoeli L		
Cllr Kombe O J		
Cllr Langeni E		
Cllr Lebelo S M		
Cllr Lebethe P O L		
Cllr Mabe L L		

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Cllr Majolo W L
Cllr Makhuto A
Cllr Malan P A
Cllr Manyaku E S
Cllr Marekoa B B
Cllr Mashiakgomo K D
Cllr Melanzi J A
Cllr Mkhohwa S P
Cllr Mmapitsa O C
Cllr Moduke T O
Cllr Mogwera J G
Cllr Mokgatle O J
Cllr Mokgosi T C
Cllr Mokhaba N E
Cllr Mooketsi T Z
Cllr Morapedi M P
Cllr Moreki B I
Cllr Mosete M E E
Cllr Motlhamme G S
Cllr Motshegwe S M
Cllr Mputle V
Cllr Mtoto M
Cllr Myoli V N
Cllr Nhacuangue N
Cllr Nkgwang V K
Cllr Nkgweng G N
Cllr Nortje J J
Cllr Phalole M D
Cllr Phiri K B
Cllr Phutu K K
Cllr Pule E S T
Cllr Pule L J
Cllr Qobeka J

Cllr Ralokwakweng J O
Cllr Rampou D T
Cllr Rangwaga M J
Cllr Rootman A P
Cllr Rothman T
Cllr Salang J
Cllr Seleka A S
Cllr Serongoane P H
Cllr Serunye C K
Cllr Sethonga D M
Cllr Snyders L B
Cllr Tause S S
Cllr Vena E K
Cllr Xatasi N S

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OFFICIALS

Mr Makona V	-	Municipal Manager
Ms Mdhluli V	-	Acting Chief Financial Officer
Mr Boikanyo K	-	Director: Public Safety
Mr Moleele O	-	Acting Director: Roads and Transport
Ms Rampete N	-	Director Community Development
Ms Halenyane M	-	Director Planning & Human Settlement
Ms Khiba N	-	Acting Director: Local Economic Development
Mr Mahlangu G	-	Acting Director: Technical & Infrastructural Services
Mr Mahapela P	-	Acting Director: Corporate Support Services
Ms Tebeli M	-	Manager: Office of the Speaker
Mr Mfuloane D	-	Manager: Office of the Executive Mayor
Mr Grief K	-	Acting Head: Legal and Evaluation
Mr Matebesi T	-	Communications Office
Mr Makinita J	-	Sergeant-at-Arms
Ms Makona P	-	Acting Unit Manager: Administrative Support Services
Mr van Vuuren J	-	Section Manager Administrative Support Services
Ms Khunou N	-	Administrative Officer: Administrative Support Services
Ms Rapelego M	-	Administrative Assistant: Administrative Support Services
Ms Khunou B	-	Administrative Assistant: Administrative Support Services
Ms Dintwe T	-	Administrative Assistant: Administrative Support Services

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Ms Letshwiti M	-	Committee Administrator: Administrative Support Services
Ms Mogakwe K	-	Typist: Administrative Support Services
Ms Makonye T	-	Typist: Administrative Support Services
Ms Mahupela D	-	Typist: Administrative Support Services
Mr Mkhuzangwe S	-	Council Interpreter -----

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I N D E X

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1. **OPENING PRAYER AND WELCOME:**

- 1.1 The meeting was opened with a prayer by Cllr Rampou T, where-after the Honourable Speaker welcomed all members present;

2. **APPLICATIONS FOR LEAVE OF ABSENCE:**

- 2.1 That leave of absence be granted to the following Councillors: Pooe M M, Macone I S, Sentsho S L, Malinga M, Notshaya N G, Monaise K I, Letlape M S, Mohulatsi T P and Nke HSRR

- 2.1.1 It be noted that the following Councillors requested to be recused: Lebelo S M 15:30, Coetzee M at 12:22, Phalole M D at 15:30, Grove A S 18:10, Rangwaga M J at 18:10, Malan P A at 18:10, Tause S S at 18:20.

- 2.1.2 It be noted that the following 'councillors will arrive late: Gumede J S , Mokapi C T, Mokhaba N E, Matjene T.

3 **REPORTS:**

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96. **INTENTION TO ADOPT AN OVERSIGHT AND ACCOUNTABILITY MODEL APPLICABLE FOR THE CITIES**
(Office of the Speaker) (MMT)

PURPOSE OF THE REPORT

The purpose of the report is to provide council with information regarding the intention to adopt an oversight and accountability model.

RESOLVED:

ACTION

- | | | |
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| 1. | That the report be noted; | CC |
| 2. | That the research model be tabled at the next ordinary sitting of Council end of July 2022; | OSP |
| 3. | That SALGA be invited to make a presentation on the Accountability Model to Council in July 2022; | OSP |
| 4. | That after the benchmarking process, the Speaker submit a report to Council on the functionality of the Section 79 committees. | OSP |
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97. **APPOINTMENT OF THE TRUSTEES FOR THE RUSTENBURG WATER SERVICES TRUST (RWST)**
(Office of the Speaker) (SST/mpm)

PURPOSE OF THE REPORT

The purpose of the report is for Council to recommend four (4) Trustees to be authorised by the Master of the High Court who will serve on the Rustenburg Water Services Trust.

RESOLVED:

ACTION

- | | | |
|----|--|----|
| 1. | That the report be referred back | CC |
| 2. | That all terms of reference must be complied with before tabling the report to Council; | |
| 3. | The Section 79 committee that was dissolved by Council must be re-established to investigate the possibility of maladministration within the RWST; | |
| 4. | A Councillor in terms of section 93 D of the Local Government Municipal Systems Act 32 of 2000 must be appointed. | |
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IT BE NOTED THAT CLLR MOKGATLE O ON BEHALF OF TSOANG REQUESTED A 10 MINUTE CAUCUS, WHICH WAS GRANTED BY THE SPEAKER

98. **ADOPTION OF THE OVERSIGHT REPORT ON THE ANNUAL REPORT 2020/2021 OF THE RUSTENBURG LOCAL MUNICIPALITY**
(Office of the MPAC) 3/4/7/1-0014526 (FM)

PURPOSE OF THE REPORT

This Oversight Report is tabled before Council as the analysis process results effected on the 2020/2021 Annual Report. It is worth noting that, this Oversight Report entails the recommendations that are supposed to be presented before the Council for consideration and approval of the 2020/2021 Annual Report. The Council is obliged to consider the recommendations of the Oversight Report and determine whether the 2020/2021 Annual Report is approved with reservations, without reservations, referred back, or rejected.

RESOLVED:

ACTION

1. That the review and analysis in the Oversight Report on the Annual Report 2020/2021, be noted; CC
2. That, the Municipal Council having fully considered the 2020/2021 Annual Report of the Municipality and representations thereon, adopts the Oversight Report, and Municipal Council approves the 2020/2021 Annual Report with reservations included in the comments in the Annual Report. The reservations include but are not limited to: CC
 - Irregular Expenditure;
 - Unauthorised and Fruitless and Wasteful Expenditure;
 - Expenditure Management on Government Grants;
 - Property, Plants, and Equipment;
 - Inaccurate billing system (Rate-Payers);
 - Asset Management;
 - Pending Litigation;
 - Consolidated Annual Financial Statements and Annual Report;
 - Expenditure Management;
 - Compliance with Laws and Legislation;
 - Procurement and Contract Management;
 - Assets Management;
 - Consequence Management;
 - Employee Related Costs;
 - Internal Control Deficiencies;
 - Material Irregularities.
 - Quality of the Performance Reports.

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| 3. | That the dispute between the municipality and Eskom be finalised timeously and MPAC be furnished with a progress report on a monthly basis; | OMM |
| 4. | That the MM publicize the Oversight Report on the Annual Report 2020/2021 in terms of Section 129(3) of the Municipal Finance Management Act, Act 56 of 2003; | OMM |
| 5. | That the MM submits the Oversight Report to the North West Provincial Legislature, Department of Local Government and Human Settlement, Auditor General of South Africa, and any other relevant authorities, including posting it on the Municipal Website in line with Section 132 of the MFMA; | OMM |
| 6. | That the Municipal Council notes and considers representations that emanate from the public participation, delegates the MM to resolve all concerns, and submits a progress report to MPAC on monthly basis; | OMM |
| 7. | That the MM must ensure the efficiency of the implementation of the Post Audit Action Plan developed to address 2020/2021 Audit findings and submit a progress report to MPAC every quarter; | OMM
CFO |
| 8. | That MM must intensify, assess and evaluate the Internal Controls to ensure that quality assurance is conducted to improve the quality of the In-Year, Quarterly, and Annual Performance Reports including Financial Accounting Records. | OMM |
| 9. | That the Management must ensure that officials working at the SCM Unit are adequately capacitated by Section 8 of the Municipal SCM Regulations and quarterly progress reports to that effect be submitted to MPAC; | CFO |
| 10. | That the MM must ensure that all Creditors who provided services to the Municipality are paid on time in line with the legislative prescripts; | OMM
CFO |
| 11. | That Quarterly Performance Report of all contracted services (Service Providers), be submitted to MPAC in line with Section 116 of the MFMA; | OMM |
| 12. | That the Municipal Manager must ensure that the Records Management System at the Budget and Treasury is intensified and specific official/s responsible for such function are identified and bestowed with the responsibility of safekeeping of Accounting Records; | OMM
DCS |
| 13. | That the Municipal Manager must ensure that the quality of all performance reports is adequate and satisfactory including that of the Annual Report; | OMM |

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| 14. That the Municipal Manager must ensure that there is assets verification, classification, and completion of accurate GRAP compliant assets register regarding the PPE, Investment Property, and Inventory, including immovable and underground municipal assets, and a progress report is tabled before Council every quarter; | CFO |
| 15. That MM coordinates and facilitates the process of re-establishing the Municipal Disciplinary Board before the end of the first quarter of the 2022/2023 financial year; | OMM |
| 16. That the MM must ensure that the process of appointing Bid Committees is compliant with Regulation 27(3), 28(2), and 29(2) of the Supply Chain Management Regulations, list and designation of all members of Bid Committees be submitted to MPAC every quarter; | OMM |
| 17. That the MM must ensure that the office of the Internal Audit and MPAC are both capacitated in terms of Budget and administrative personnel; | OMM |
| 18. That the Management must ensure that the municipality's organizational structure is reviewed and adopted by Council before the 1st Quarter of the 2022/2023 Financial Year; | OMM
DCS |
| 19. That the Management must ensure that remedial measures are put in place to avert electricity and water losses, and regular progress reports are submitted to the MPAC every quarter; | DTIS |
| 20. That the Municipal Manager must intensify the efficiency of the Risk Management Committee and its performance rate be submitted to MPAC every quarter through the Performance Audit Committee; | OMM |
| 21. That the MM must ensure that the Risk Management Strategy, Policy, and Charter are adopted by Council before the end of July 2022; | OMM |
| 22. That a standing item on the attendance and performance of the Bid Committee meetings be included in the MPAC agenda; | OMM
MPAC |
| 23. That the Valuation Roll and Billing System be aligned; | CFO |
| 24. That the Executive Mayor submit a report on the implementation of consequence management to Council in 14 days; | EM |
| 25. That Unauthorised, Irregular, Fruitless and Wasteful expenditure registers be submitted to Council in 14 days. | OMM |

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99. **REVIEW OF THE REPORT ON THE INVESTIGATION OF THE UNAUTHORISED EXPENDITURE FOR THE 2011/12 FINANCIAL YEAR**
 (Office of the MPAC) (0013705) 7/1/2/5 (FM)

PURPOSE OF THE REPORT

The purpose of this report is to table the reviewed report on the investigation of the unauthorized expenditure incurred during the 2011/2012 financial year before Council.

RESOLVED:

ACTION

That the report be referred back to the next Special Council sitting in 14 days.

CC

100. **REVIEW OF THE REPORT ON THE INVESTIGATION OF THE UNAUTHORISED EXPENDITURE FOR THE 2012/13 FINANCIAL YEAR**
 (Office of the MPAC) 7/1/2/5 0013700 (FM)

PURPOSE OF THE REPORT

The purpose of this report is to table the reviewed report on the investigation of the Unauthorized Expenditure incurred during the 2012/2013 financial year before Council.

RESOLVED:

ACTION

That the report be referred back to the next Special Council sitting in 14 days.

CC

101. **REVIEW OF THE REPORT ON THE INVESTIGATION OF THE UNAUTHORISED EXPENDITURE FOR THE 2013/14 FINANCIAL YEAR**
 (Office of the MPAC) 7/1/2/5 0013702 (FM)

PURPOSE OF THE REPORT

The purpose of this report is to table the reviewed report on the investigation of the Unauthorized Expenditure incurred during the 2013/2014 financial year before Council.

RESOLVED:

ACTION

That the report be referred back to the next Special Council sitting in 14 days.

CC

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102. **REVIEW OF THE REPORT ON THE FINANCIAL DISCLOSURE OF INTERESTS BY COUNCILLORS - END OF FEBRUARY 2022**

(Office of the MPAC)

7/1/2/5 0014675

(FM)

PURPOSE OF THE REPORT

The purpose of this report is to table the reviewed report on the financial disclosure of interests by Councillors for the 2021/2022 financial year before Council.

RESOLVED:

ACTION

That the item be withdrawn.

CC

103. **FILLING OF TWO PERFORMANCE AUDIT COMMITTEE MEMBERS POSITIONS (IMPLEMENTATION OF COUNCIL RESOLUTION – 25 JANUARY 2022 ITEM 7)**

(Office of the Municipal Manager)

(..../...../R) (SVM)

PURPOSE OF THE REPORT

The purpose is to report to Council on the progress on the implementation of the council resolution dated 25 January 2022, Item 7 (**Annexure A**). The objective of the resolution was to note the resignation of the PAC Chairperson, fill two vacant PAC position and appoint the PAC Chairperson.

RESOLVED:

ACTION

That the report be referred back

CC

104. **PERFORMANCE AUDIT COMMITTEE (PAC) REPORT ON MATTERS RAISED BY AUDITOR GENERAL SOUTH AFRICA (AGSA) FOR THE YEAR ENDED 30 JUNE 2021**

(Performance Audit Committee)

(1/1/RLM1) (CM)

PURPOSE OF THE REPORT

The purpose of this report is to respond to Council on the issues raised by the Auditor General South Africa during the audit of financial statements for the year ended 30 June 2021 as required by Section 166 (2) (c) of the MFMA.

RESOLVED:

ACTION

That the report be referred back to be presented at the next Council sitting by the interim Chairperson of the Performance Audit Committee or his/her delegate.

CC

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105. **MID-YEAR REPORT OF THE PERFORMANCE AUDIT COMMITTEE (PAC) OF THE RUSTENBURG WATER SERVICES TRUST (RWST) FOR THE FINANCIAL YEAR 2021/22**

(Performance Audit Committee)
(CM)

(1/1/RWST1)

PURPOSE OF THE REPORT

This report seeks to appraise the Council on the deliberations and recommendations. This is the report of the Performance Audit Committee meetings held during the month of December 2021 and February 2022. The Performance Audit Committee (PAC) has been established as an independent committee in terms of section 166 of the Municipal Financial Management Act (MFMA) No. 56 of 2003.

RESOLVED:

ACTION

That the report be referred back to be presented at the next Council sitting by the interim Chairperson of the Performance Audit Committee or his/her delegate. CC

106. **PERFORMANCE AUDIT COMMITTEE (PAC) REPORT ON ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021**

(Performance Audit Committee)
(CM)

(1/1/RLM 2)

PURPOSE OF THE REPORT

The purpose of this report is to appraise Council on the functioning of the Performance Audit Committee for the year ended 30 June 2021. The report is also part of the annual report of the municipality for the year ended 30 June 2021.

RESOLVED:

ACTION

That the report be referred back to be presented at the next Council sitting by the interim Chairperson of the Performance Audit Committee or his/her delegate. CC

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107. **REQUEST FOR EXTENSION OF THE VALUATION ROLL CONTRACT: OPTI PROPERTY CONSULTANTS IN ACCORDANCE WITH THE MFMA SECTION 116**

(Directorate Budget and Treasury Office) (BF/pm)

PURPOSE OF THE REPORT

The purpose of this report is to request Council to approve the extension of the Valuation Roll Contract for Opti Property Consultants ("Opti") in accordance of section 116 of the Municipal Financial Management Act no.56 of 2003 (MFMA) for a period of 12 months.

RESOLVED:

ACTION

That the report be referred back.

CC

108. **REQUEST FOR APPROVAL OF THE 2ND EXTENSION OF THE FINANCIAL SYSTEM CONTRACT: SAGE/CCG JOINT VENTURE AND PROGRESS REPORT ON PROCUREMENT OF THE MSCOA FINANCIAL SYSTEM.**

(Directorate Budget and Treasury Office)

(VM)

PURPOSE OF THE REPORT

The purpose of this report is to request Council approval for the 2nd **extension of the financial system contract: SAGE/CCG Joint Venture** in line with the requirements of Section 116(3) of the Municipal Finance Management Act (MFMA) no. 56 of 2003 for a period of twelve months and further provide Council with progress on procurement of the mSCOA financial system.

RESOLVED:

ACTION

- | | | |
|----|--|-----|
| 1. | That Council approves the 2 nd extension of the financial system contract: SAGE/CCG JV in line with the requirements of Section 116(3) of the MFMA for a period of twelve months; | CC |
| 2. | That Council note that no comments were received from the public participation process; | CC |
| 3. | That National Treasury comments be noted and procurement process be initiated after addressing the comments from National Treasury; | BTO |
| 4. | That Progress report be submitted to the next ordinary council meeting. | BTO |

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109. **RUSTENBURG WATER SERVICES TRUST (RWST) BUDGET 2022/23**
(Directorate: Budget and Treasury Office) GD

PURPOSE OF THE REPORT

The purpose of this report is to table the 2022/23 budget for the Rustenburg Water Services Trust (RWST) to Council in accordance with resolution 2 of item 95 of the special council meeting held on the 07th June 2022.

RESOLVED:

ACTION

1. That Council notes the budget for the RWST, and the reasons provided for not in compliance with mSCOA budget requirement; CC
 2. That Council approves the Rustenburg Water Services Trust (RWST) budget as provided in Annexure E of the report. CC
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IT BE NOTED THAT THE ECONOMIC FREEDOM FIGHTERS ARE NOT IN AGREEMENT WITH THE RESOLUTIONS

IT BE NOTED THAT BOTHO COMMUNITY MOVEMENT ARE NOT IN AGREEMENT WITH THE RESOLUTIONS

110. **INVESTIGATION: POSSIBLE DERELICTION OF DUTY AND/OR PROFESSIONAL NEGLIGENCE: ACTING DIRECTOR TECHNICAL AND INFRASTRUCTURE SERVICES AND UNIT MECHANICAL ENGINEERING SERVICES (ACTING UNIT MANAGER AND SUPERVISORS) AND SUPPLY CHAIN MANAGEMENT (SCM)**
(Office of the Municipal Manager) SVM/

PURPOSE OF THE REPORT

The purpose of the item is to submit to Council a report on the Investigation: Possible Dereliction of Duty and/or Professional Negligence: Acting Director Technical and Infrastructure Services and Unit Mechanical Engineering Services (Acting Unit Manager and Supervisors) and Supply Chain Management (SCM).

RECOMMENDED

ACTION

That the report be referred back and be tabled at the special council sitting within 14 days. CC

KCM

111. **MATERIAL IRREGULARITY: PENALTIES PAID AS A RESULT OF LATE SUBMISSION OF VAT RETURNS RAISED BY THE AUDITOR GENERAL OF SOUTH AFRICA IN THE 2021/2022 AUDIT PERIOD**

(Office of the Municipal Manager)

SVM/vp

PURPOSE OF THE REPORT

The purpose of this item is to report to Council on Material Irregularity: Penalties paid as a result of late submission of VAT returns raised by the Auditor General of South Africa in the 2021/2022 audit period

RECOMMENDED:

ACTION

That the report be referred back and be tabled at the special council sitting within 14 days.

CC

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