

# Newcastle Municipality

## AGENDA

*for the*

### **COUNCIL MEETING**

*Wednesday, 31 July 2013*

*at 14:00*

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# COUNCIL

## NOTICE OF MEETING

2013-07-26

TO ALL COUNCILLORS  
NEWCASTLE MUNICIPAL COUNCIL

Dear Councillor

### COUNCIL MEETING

Notice is hereby given that a council meeting will be held in the **Conference Room, Show Hall, Hardwick Street, Newcastle** on **Wednesday, 31 July, 2013** at **14:00** for the purpose of considering the matters as contained in the agenda.

Yours faithfully



**K. MASANGE**  
**MUNICIPAL MANAGER**

# AGENDA

**Agenda** for the meeting of the NEWCASTLE MUNICIPAL COUNCIL  
to be held in the Conference Room, Show Hall, Hardwick Street,  
Newcastle on Wednesday, 31 July, 2013 at 14:00

ITEM 1

OPENING

ITEM 2

APPLICATIONS FOR LEAVE OF ABSENCE (CS 3/1/4/1)

ITEM 3

OFFICIAL NOTICES

ITEM 4

UNOPPOSED PROPOSALS BY SPEAKER

ITEM 5

CONFIRMATION OF MINUTES

- Minutes of the meeting of the Newcastle Municipal Council held on 26 June 2013 (blue pages numbered 1 to 11)

# **NEWCASTLE MUNICIPALITY**

**MINUTES OF THE COUNCIL MEETING HELD IN THE  
CONFERENCE ROOM, SHOW HALL, HARDWICK STREET,  
NEWCASTLE ON WEDNESDAY, 26 JUNE 2013  
AT 14:00**

## NEWCASTLE MUNICIPAL COUNCIL

MEETING : 26 JUNE 2013

### ATTENDANCE REGISTER

#### PRESENT

Councillor	M F	Zikhali	:	Speaker
Councillor	M M	Bhekiswayo		
Councillor	M V	Buhali		
Councillor	D R F	Buthelezi		
Councillor	S S E	Buthelezi		
Councillor	E J C	Cronje		
Councillor	J K	Gabuza		
Councillor	F P	Gama		
Councillor	T S	Hlabisa		
Councillor	M M E	Hlatshwayo		
Councillor	S B	Hlatshwayo		
Councillor	I	Keeka		
Councillor	L G	Khoza		
Councillor	C B	Kubheka		
Councillor	S	Kubheka		
Councillor	S B M	Lukhele		
Councillor	H S	Madonsela		
Councillor	A M M	Mashinini		
Councillor	J S	Mbatha		
Councillor	Z J	Mbatha		
Councillor	M N	Mbokazi		
Councillor	M O	Mdhlalose		
Councillor	R N	Mdluli		
Councillor	H N	Mkhwanazi		
Councillor	M G	Mlangeni		
Councillor	M S	Mlangeni		
Councillor	N A	Msibi		
Councillor	T M	Mzoneli		
Councillor	R B	Ndim		
Councillor	M E	Ngcobo		
Councillor	C L	Nhlapho		
Councillor	N T	Ntshangase		
Councillor	E M	Nyembe		
Councillor	D O	Shabalala		
Councillor	M	Shunmugam		
Councillor	D M	Sibilwane		
Councillor	S M	Thwala		
Councillor	D E	Tshabalala		
Councillor Dr	J A	Vorster		
Councillor	S J	Zulu		
Councillor	T M	Zulu		
Councillor	E M	Zungu		
Councillor	M E	Zwane		

**ABSENT WITH APOLOGY**

Councillor	V V	Bam	:	out of town
Councillor	J M E	Damons	:	ill
Councillor	T J	de Jager	:	out of town
Councillor	C L	Dube	:	personal circumstances
Councillor	D X	Dube	:	other commitments
Councillor	T Z	Hadebe	:	out of town
Councillor	N P	Kunene	:	out of town
Councillor	H T	Malindi	:	other commitment
Councillor	N S	Matthews	:	out of town
Councillor	C N	Mkhize	:	out of town
Councillor	S G	Ndlovu	:	other commitment
Councillor	N J	Ngobese	:	other commitment
Councillor	D J Z	Nkosi	:	ill
Councillor	B S	Ntombela	:	ill
Councillor	A F	Rehman	:	overseas
Councillor	N A	Zwane	:	other commitment

**ABSENT WITHOUT APOLOGY**

Councillor	G A	Mncube
Councillor	T M	Nzuze

**OFFICIALS PRESENT**

Acting Municipal Manager	:	Mr	E	Hauptfleisch
Chief of Operations	:	Mr	B E	Mswane
Strategic Executive Director : Budget and Treasury Office	:	Mr	M J	Mayisela
SED : DP&HS	:	Ms	N T	Thusi
Director : IT	:	Ms	V	Vinkhumbo
Manager : Internal Audit	:	Mr	S V	Ngwenya
Chief Risk Manager	:	Mr	W	Ndlela
Acting Strategic Executive Director : Community Services	:	Mr	S S	Ndlovu
Acting Strategic Executive Director : Technical Services	:	Mr	V	Mbonyane
Senior Administrative Officer	:	Mrs	F J	Hadden
Intern : Administration	:	Ms	S N	Sithole
Intern : Administration	:	Ms	Z	Xulu
Interpreter	:	Mr	L	Malindi

**1 : OPENING**

The Speaker declared the meeting properly constituted and opened the meeting.

**2 : APPLICATIONS FOR LEAVE OF ABSENCE : (A 3/1/4/1)**

The meeting was informed that the following councillors had given notice to the effect that it would not be possible for them to attend the meeting :-

V V	Bam	N S	Matthews
J M E	Damons	C N	Mkhize
T J	de Jager	B S	Ntombela
C L	Dube	S G	Ndlovu
D X	Dube	N J	Ngobese
T Z	Hadebe	D J Z	Nkosi
N P	Kunene	A F	Rehman
H T	Malindi	N A	Zwane

**RESOLVED**

That Councillors

V V	Bam	N S	Matthews
J M E	Damons	C N	Mkhize
T J	de Jager	B S	Ntombela
C L	Dube	S G	Ndlovu
D X	Dube	N J	Ngobese
T Z	Hadebe	D J Z	Nkosi
N P	Kunene	A F	Rehman
H T	Malindi	N A	Zwane

**SED:CS(A)**  
**B.S. Ntombela**

be granted leave of absence from attending the meeting.

**3. OFFICIAL NOTICES****NONE****4 : UNOPPOSED PROPOSALS BY SPEAKER****Standing Rules of Order and Procedure of meetings**

The Speaker proposed that he, the Chief Whip as well as the whips of the respective political parties of Council visit the Provincial Legislature in order to become au fait with the order and procedure of meetings of the Legislator.

Following discussion it was

**RESOLVED**

That the proposed visit to the Provincial Legislature be referred to the political party caucuses, whereafter a report in such regard be submitted at the next meeting of the whips.

MM

**5 : CONFIRMATION OF MINUTES****RESOLVED**

That the minutes of the meeting of the Newcastle Municipal Council held on 29 May 2013 be confirmed, subject to the following amendment :-

**CM13 : DRAFT MULTI-YEAR OPERATING AND CAPITAL BUDGETS : 2013/2014, 2014/2015, 2015/2016 and 2016/2017 : (BTO 6/1/1 - 2013/2014)**

Cllr. E.J.C. Cronje informed the meeting that although the discussion of the meeting held on 29 May, 2013 had not been recorded, the dissenting vote of the DA against the 2013/2014 budget be minuted.

**6 : QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN****NONE****7 : MOTIONS OF WHICH NOTICE HAD BEEN GIVEN****NONE****8 : REPORTS OF THE EXECUTIVE COMMITTEE**

The Acting Mayor, Cllr. R.N. Mdluli, moved that the recommendations of the Executive Committee be considered and that resolutions of the committee adopted under powers delegated to the committee and where indicated, be noted.

**VIDE THE ANNEXED PART A AND PART B**



9 : **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE : (CS(A) 3/1/4/5)**

In the absence of the Chairperson of MPAC, Cllr. N.T. Ntshangase moved that the resolutions of the MPAC be noted.

**RESOLVED**

That the resolutions of the Municipal Public Accounts Committee as adopted at the meeting held on 28 May 2013 be noted.

**CONCLUSION OF MEETING**

There being no further business to discuss, the meeting concluded at 15:00.

**CONFIRMED**

DATE

CHAIRPERSON

# **PART    A**

**MATTERS CONSIDERED BY  
THE NEWCASTLE  
MUNICIPAL COUNCIL  
UPON RECOMMENDATION  
OF THE EXECUTIVE  
COMMITTEE**

**CM22 : URGENT MATTERS**

- (i) **Visit to the United States of America for the conclusion of a memorandum of understanding with the 911 fund and to view disaster management procedures : (MM 19/1/3/5)**

**RESOLVED**

- (a) That condonation be granted for the Mayor as well as the Strategic Executive Director : Community Services to be included in the delegation which would be visiting the United States of America for the purpose of concluding a memorandum of understanding with the 911 fund as well as to view disaster management procedures, the departure date being 24 June 2013 and return date 2 July 2013;
- (b) that it be noted that the Newcastle Municipality is required to bear all costs associated with the visit referred to in (a).

MM

(Cllr. I. Keeka, on behalf of the DA, requested that their support for the visit to the USA be recorded).

- (ii) **Fixed term contracts : Strategic Executive Director : Budget and Treasury Office as well as Chief of Operations : (MM 5/3/5)**

**RESOLVED**

That the existing contracts of the Strategic Executive Director : Budget and Treasury Office as well as the Chief of Operations be extended for a further period of 3 months i.e. until the end of September 2013.

MM

**CM23 : REPORTS OF ANY COMMITTEE****A. Finance Portfolio Standing Committee : Meeting held on 12 June 2013**

- (i) **Indigent application process : Write-off of debt : April 2013 : (BTO 6/7)**

**RESOLVED**

That debt owed by registered indigent account holders processed during the month of April 2013 amounting to R1 984 063,99, be written off against the bad debt reserve.

**SED:BTO**  
**A.F. Rehman**

- (ii) **Indigent application process : Write-off of debt : May 2013 : (BTO 6/7)**

**RESOLVED**

That debt owed by registered indigent account holders processed during the month of May 2013 amounting to R1 565 951,48, be written off against the bad debt reserve.

**SED:BTO**  
**A.F. Rehman**

- (iii) **Debt collection : Portion 5 of erf 711 : (BTO 6/7)**

**RESOLVED**

That the rates outstanding on the owner account, in the amount of R212 614,29 of portion 5 of erf 711, be written off due to the special circumstances in which they arose.

**SED:BTO**  
**A.F. Rehman**

- (iv) **uThukela Water (Pty) Ltd. : June 2013 : Payment of 1/12 of the approved budget : (BTO 11/2/2/7)**

**RESOLVED**

- (a) That approval be granted for the payment of 1/12 of the approved budget to uThukela Water (Pty) Ltd for the month of June 2013;
- (b) that it be noted that the June 2013 invoice will be received during May 2013 and will be calculated in accordance with the approved budget of uThukela Water (Pty) Ltd.

**SED:BTO**  
**A.F. Rehman**

- (v) **Deviations report in terms of regulations 16, 17 and 36 of the Municipal Supply Chain Management Regulations for March 2013 : (BTO 21/B)**

**RESOLVED**

That the report regarding the deviations from, and ratification of minor breaches of, procurement processes in terms of sections 18, 19 and 43 of the Newcastle Municipality's Supply Chain Management Policy for the month of March 2013, be noted.

**SED:BTO**  
**A.F. Rehman**

**B. Development Planning and Human Settlements Portfolio Standing Committee : Meeting held on 12 June 2013**

- (i) **Proposed scheme amendment in terms of section 9(1) and consolidation and sub-division of land in terms of section 21(1) of the KwaZulu-Natal Planning and Development Act, N°. 6 of 2008 : Siyahhlala la housing development, Newcastle : (DP&HS (TP) 13/3/3 - FARM BOSCHOEK SIY AHLALA LA)**

**RESOLVED**

That in terms of the KwaZulu-Natal Planning and Development Act N°. 6 of 2008 the following be approved :-

- (i) the extension of the Newcastle Town Planning Scheme boundary to incorporate the proposed erf 15621 Newcastle (formerly known as portion 74 of the farm Boschoek N°. 3345-HS);
- (ii) the creation of a new zone called single residential 1;
- (iii) the rezoning of erf 1141 from single residential, erf 1209 from single residential (unregistered portion 5 of erf 2442, erf 15619, portion 7 of erf 14579), erf 15226 from group and cluster housing all of Newcastle and proposed erf 15621 from agricultural to zones as reflected on the layout plan number 174 NEW;
- (iv) the creation of a consolidated erf 15620 Newcastle (being consolidation of unregistered properties : Portion 5 of erf 2442, erf 15619, portion 7 of erf 14579 and erven 1141 and 1209 and erf 15226 Newcastle;
- (v) the consolidation of erven 15620 and 15621 Newcastle to create erf 15622 Newcastle;
- (vi) subdivision of the proposed erf 15622 Newcastle to create approximately 1224 erven;
- (v) that an additional site for the high school be identified and developed by the Department of Basic Education.

**SED:DP&HS  
M. Shunmugam**

- (ii) **The implementation of the Newcastle CBD development plan and Newcastle CBD traffic and transportation study : Design for lane configurations of Allen street intersections from Hospital street to Kirkland street : (DP&HS 124/2011)**

**RESOLVED**

- (a) That the detailed designs for lane configurations of Allen Street intersections from Hospital Street to Kirkland Street be approved;
- (b) that Council prioritise the implementation of the detailed designs in terms of budgeting during the 2014/2015 financial year.

**SED:DP&HS**  
**M. Shunmugam**

**C. Technical Services Portfolio Standing Committee : Meeting held on 12 June 2013**

**Appointment of consultants**

**RESOLVED**

That the Supply Chain Management Unit be requested to broaden the scope of approval of tenders with specific referenced to the appointment of consultants.

**SED:TS**  
**R.N. Mdluli**

**CM24 : URGENT MATTERS**

- (i) **uThukela Water (Pty) Ltd. : Transfer of staff to Newcastle Municipality : (MM 5/11/1)**

**RESOLVED**

- (a) That the Municipal Manager be authorised to sign the transfer of staff agreement, as attached to these minutes per Annexure "A";
- (b) that the organogram be noted;
- (c) that the principles applicable to the transfer as listed in the report, be noted.

\*\*\*

**MM**

(ii) **Salary and wage adjustments : 2013/2014 Financial year : (CS(HR) 5/4/1/2)**

**RESOLVED**

- (a) That salary increase, in terms of clause 6.2 of the Collective Agreement shall be six comma eight four percent (6,84%), with effect from 1 July 2013;
- (b) that any benefits or conditions of service as stipulated in clause 6.6 of the Collective Agreement shall increase by the same rate of 6.84%;
- (c) that the minimum wage as stipulated in Clause 7.3 of the Collective Agreement shall increase by the same rate of 6.84%. The new minimum wage shall be Five Thousand Two Hundred and Sixty Four Rand comma Zero One Cent (R5 264,01) , with effect from 1 July 2013;
- (d) that in respect of the medical aid subsidy , the maximum employer contribution to an employee 's accredited medical scheme shall, in line with clause 8.1.2 of the Collective Agreement , be increased by 3.42% to Three Thousand Five Hundred and Fifty Seven Rand comma Sixty Five Cents (R3 557,65), with effect from 1 July 2013;
- (e) that the following figures , from STATS S.A , are used to calculate the salary and related increase :-

Feb 2012	March 2012	April 2012	May 2012	June 2012	July 201	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Annual Total
6.10	6.00	6.10	5.70	5.50	4.90	5.00	5.50	5.60	5.60	5.70	5.40	67.10

Average CPI for 12 months = 67,10 Divided by 12 months  
= 5,59

Salary increase = 5,59 plus 1,25%  
= 6,84%;

- (f) that Municipal Managers and those employees appointed as managers directly accountable to Municipal Managers in terms of section 57 of the Municipal Systems Act 32 of 2000, as amended, be excluded.

**SED:BTO**  
**SED:CS(HR)**  
**A.F. Rehman**  
**B.S. Ntombela**

# **PART    B**

**RESOLUTIONS ADOPTED  
BY THE EXECUTIVE  
COMMITTEE UNDER  
POWERS DELEGATED AND  
SUBMITTED TO THE  
COUNCIL FOR NOTING**



**1. SPECIAL EXECUTIVE COMMITTEE MEETING : 28 MAY 2013**

At the Council meeting held on 26 June 2013 the resolutions of the Executive Committee numbered

B 111 to B 115

were

**NOTED**

**2. SPECIAL EXECUTIVE COMMITTEE MEETING : 29 MAY 2013 AT 12:30**

At the Council meeting held on 26 June 2013 the resolutions of the Executive Committee numbered

B 116 to B 120

were

**NOTED**

**3. SPECIAL EXECUTIVE COMMITTEE MEETING : 29 MAY 2013 AT 13:30**

At the Council meeting held on 26 June 2013 the resolutions of the Executive Committee numbered

B 121 to B 123

were

**NOTED**

**4. SPECIAL EXECUTIVE COMMITTEE MEETING : 11 JUNE 2013**

At the Council meeting held on 26 June 2013 the resolutions of the Executive Committee numbered

B 124 to B 128(ii) as well as  
B 128(iv) and (v)

were

**NOTED**

**B128(iii) : SALGA Games : Accommodation for councillors : (CS 19/1/4/1/1)**

Cllr. E.J.C. Cronje referred to the resolutions of the Executive Committee regarding the SALGA Games which were in conflict with the resolutions of 2010/2011.

Cllr. M. Shunmugam advised that the resolution had been rescinded by the Executive Committee.

(Cllr. E.J.C. Cronje, on behalf of the DA then requested that their dissenting vote be recorded against all councillors attending the SALGA Games.

**NOTED****5. EXECUTIVE COMMITTEE MEETING : 18 JUNE 2013**

At the Council meeting held on 26 June 2013 the resolutions of the Executive Committee numbered

B 129 to B 136 (iv) as well as  
B 137 to B 139

were

**NOTED****B136 D(v) : Renaming of streets and buildings : (TP 13/13/2)****RESOLVED**

That the resolution be amended to read as follows :-

*"That the resolution of the Development Planning and Human Settlements Portfolio Standing Committee be noted, however, the background pertaining to existing street names in Newcastle to form part of any proposed renaming of streets and buildings."*

**SED:DP&HS**  
M. Shunmugam

**B136 E(ii) : Siyazenzela Expanded Public Works Programme Phase 1 : (TS 6/1/4/3)****RESOLVED**

That resolution (b) be amended to read as follows :-

*"(b) that (a) above be further considered by Council's respective caucuses, a report inclusive of the financial implications in such regard to be submitted."*

**SED:TS**  
R.N. Mdluli

**6. SPECIAL EXECUTIVE COMMITTEE MEETING : 19 JUNE 2013**

At the Council meeting held on 26 June 2013 the resolutions of the Executive Committee numbered

B 140 to B 141

were

**NOTED**

**B142 : Performance Management System / Draft Service Delivery and Budget Implementation Plans and Performance Agreements : 2012/2013 : (MM 2/1/2/1)**

Cllr. H.T. Madonsela, on behalf of the ANC informed the meeting that the resolutions of the Executive Committee were noted, however, it was requested that the PMS / Draft SDBIP's be workshopped with individual portfolio standing committees on dates to be determined.

**RESOLVED ACCORDINGLY**

# **ANNEXURE**

## **A**

**COUNCIL : 2013-06-26**  
**CM 24(i)**

**AGREEMENT FOR THE TRANSFER OF WATER RETAIL FUNCTIONS CURRENTLY  
UNDERTAKEN BY UTHUKELA WATER (PTY) LTD ON BEHALF OF THE MUNICIPALITY**

**ENTERED INTO BY AND BETWEEN**

**UTHUKELA WATER (PTY) LTD**

(a municipal entity established in terms of the Local Government Municipal Systems  
Act)

Herein represented by Mr MF Cele in his capacity as Managing Director of uThukela Water  
(Hereinafter referred to as the "Entity")

**AND**

**NEWCASTLE MUNICIPALITY**

Herein represented by \_\_\_\_\_ in his/ her capacity as the  
\_\_\_\_\_ duly authorised by virtue of Council Resolution  
number \_\_\_\_\_

(hereinafter referred to as the "Municipality")

**THE SOUTH AFRICAN MUNICIPAL WORKERS UNION (SAMWU)**

Herein represented by \_\_\_\_\_ in his/her capacity as  
\_\_\_\_\_ duly authorised by \_\_\_\_\_

**AND**

**THE INDEPENDENT MUNICIPAL AND ALLIED TRADE UNION (IMATU)**

Herein represented by \_\_\_\_\_ in his/her capacity as  
\_\_\_\_\_ duly authorised by \_\_\_\_\_

**PREAMBLE**

**WHEREAS,** the Entity is currently rendering Water Retail Functions within the area of  
jurisdiction of the Municipality on behalf of the Municipality;

**WHEREAS,** the Ministerial Directive approved by the KZN Provincial Executive Council and

dated 7 June 2012 that directs that water retail functions be transferred from uThukela Water to its parent municipalities;

**AND WHEREAS**, the Parties have reached agreement that the transfer of the uThukela Water staff will take place in terms of Section 197 of the Labour Relations Act, 1995 (Act 66 of 1995);

**NOW THEREFORE**, the Parties agree to transfer the water retail functions from uThukela Water to the Municipality, as follows:

## **1. INTERPRETATION AND DEFINITIONS**

- 1.1 In this Agreement, unless the context indicates otherwise an expression, which denotes the gender, includes the other genders, a natural person includes an judicial person and vice versa, and the singular includes the plural and vice versa; clause headings are for the convenience only and will not be used in its interpretation, and the following expressions will bear the meaning assigned to them and cognate expressions will bear corresponding meanings –
- 1.2 **“Agreement”** means this Agreement and all the Annexures hereto;
- 1.3 **“Water Retail Functions”** means the Water Retail Functions as defined in the “Definition of Water Retail Functions” approved by a duly constituted Shareholders meeting;
- 1.4 **“the date of transfer of employees”** means the date referred to in clause 2;
- 1.5 **“the Entity”** means uThukela Water (Pty) Ltd, a municipal entity established in terms of the Municipal Systems Act;
- 1.6 **“the Municipality”** means the Newcastle Municipality;
- 1.7 **“the Parties”** means:
  - (a) uThukela Water (Pty) Ltd;
  - (b) the Newcastle Municipality;
  - (c) the South African Municipal Workers Union (SAMWU); and
  - (d) the Integrated Municipal and Allied Trade Union (IMATU)
- 1.8 This Agreement is governed by and construed in accordance with the laws of the Republic of South Africa.
- 1.9 All terms used but not defined in the document will be determined as per the “Basic Conditions of Employment Act”.

## **2. DATE OF TRANSFER**

- 2.1 The effective date of transfer will be 01 July 2013.

## **3. TRANSFER OF EMPLOYEES**

- 3.1 The Municipality hereby agrees to take over those employees of the Entity that falls within retail function as defined by the shareholders, together with the shared staff not absorbed by the new uThukela Water bulk structure or structures and staff lists annexed herein.
- 3.2 The transfer will take place in terms of Section 197(6) of the Labour Relations Act, 1995 (Act 66 of 1995).
- 3.3 The Entity must submit to the Municipality a list of names of all employees who are to be transferred in terms of this Agreement together with each employee's salary level, benefits and rank as at date of transfer, leave balances and physical files and any other information pertaining to the staff to be transferred.
- 3.4 The Transfer Agreement can only be signed when all required Annexures are attached.

## **4. RECOGNITION OF SERVICE OF TRANSFERRING EMPLOYEES**

- 4.1 The transfer of employees in terms of this Agreement shall not interrupt the employee's continuity of service. Employees on probation at the Entity and transferring to the Municipality will continue the probation period as prescribed by the Municipality.

## **5. ANNUAL SERVICE BONUS**

- 5.1 UThukela Water shall give staff bonus information to the Municipality. Employees shall retain their month of bonus payment.

## **6. ANNUAL LEAVE**

- 6.1 The leave balances of the transferring staff as at the 30<sup>th</sup> June 2013 shall be transferred to the Municipality by the **15<sup>th</sup> July 2013**.

## **7. REMUNERATION OF TRANSFERRING EMPLOYEES**

- 7.1 Employees will be transferred with their salary packages and they are not to be worse off, due to the transfer.
- 7.2 In the event of any transferring employee's salary notch, as at date of transfer, being higher than the maximum salary notch of the salary range attached to the post that the employee will occupy within the Municipality, such employee will retain his/her salary

prior to the transfer as personal to incumbent until such time as it is possible to incorporate it into the Municipality's salary scales, be it through:

- a. the process of collective bargaining or
- b. any job evaluation process.

Persons on personal to incumbent notches will receive the cost of living increments.

- 7.3 If any transferring employee's salary notch, as at the date of transfer, is lower than the minimum salary notch of the salary scale applicable to the post that the employee will occupy within the Municipality, such employee's salary position will be corrected by placing him/her on the first salary notch of the applicable Municipality's salary scale as at date of transfer of employee.

## **8. RETRENCHMENTS AND EARLY RETIREMENT**

- 8.1 The Municipality hereby agrees that there shall be no retrenchments due to section 197 transfer.
- 8.2 The Entity will finalise, prior to the date of transfer of employees, any requests by an employee for early retirement or termination of service or resignations in terms of the current conditions of service of the Entity and in terms of applicable legislation. The Entity will be liable for all amounts due and payable to employees in this regard.

## **9. MEDICAL AID**

- 9.1 Transferring employees will retain their medical aid benefits which are in line with the SALGA's accredited Medical Aids Schemes.

## **10. PROVIDENT AND PENSION FUND**

- 10.1 The following Pension Funds apply to the transferring employees:
- 10.2 Natal Joint Municipal Pension Fund (NJMPF);
- 10.3 South African Local Authorities Pension Fund (SALA).
- 10.4 Government Employees Pension Fund (GEPF).

## **11. CONTRACT EMPLOYEES**

- 11.1 All contracts of employment ending by 30<sup>th</sup> June 2013 shall be terminated by uThukela Water (Pty) Ltd.
- 11.2 Section 197 2 (a) which states that, *"the new employer is automatically substituted in the place of the old employer in respect of all contracts of employment in existence"*



*immediately before the date of transfer*” shall apply with respect to all contracts to be transferred to the Municipality.

## **12. DESIGNATIONS AND TITLES**

- 12.1 Designations approved by the Municipality will be utilised in respect of transferring staff, as long as they don't amount to demotion to the transferring employees.

## **13. CURRENT DISPUTES, PENDING DISCIPLINARY HEARINGS, AND ARBITRATIONS**

- 13.1 Any disputes or disciplinary hearing in existence prior to date of transfer between the Entity and any transferring employee must be finalised by the Entity prior to the date of transfer, where possible, if not, any dispute which is unsettled by the time of the transfer will be finalised by the municipality an employee is being transferred too. A list of existing disputes will be attached herein on the date of transfer.
- 13.2 Where the dispute is unsettled at the time of the transfer and it involves an employee who would ordinarily have been transferred, the following criterion will be used to determine which municipality should proceed with the matter:
- i. The ratio of use prior to the dispute
- 13.3 Any award, ruling cost order in respect of the existing disputes regarding transferring employees will be paid for by the Entity prior to the 30<sup>th</sup> June 2013, and any arbitration awards, ruling costs orders which may become due after the 30<sup>th</sup> June 2013 shall be due from the Municipality.
- 13.4 Where a member from the Municipal Entity's staff transferring to the Municipality was discharged prior to the transfer date, must be re-instated by the Municipality, if there is a ruling in favour of that staff member.

## **14. PERFORMANCE AGREEMENTS**

- 14.1 In terms of the prescripts of the Municipal Finance Management Act, Local Government Municipal Systems Act and Local Government Municipal Performance Regulations, transferring employees may be required to enter into Performance Agreements with the Municipality, agreements which will be effective from the date of transfer.

## **15. TRANSFER OF MOVABLE AND IMMOVABLE ASSETS**

- 15.1 The Finance Sub-Committee will deal with the transfer of all assets.

## 16. DOMICILIUM

16.1 The Parties to this Agreement nominate for the purposes of this Agreement and for the service of all documents and processes their *domicilium citandi et executandi* address the following:

16.2 The Municipality:

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16.3 uThukela Water (Pty) Ltd: Sanlam Centre  
79Harding Street  
Newcastle  
2940

## 17. BREACH

17.1 This Agreement shall remain in force unless terminated in terms hereof as allowed by law.

17.2 In the event that either Party commits a material breach of this Agreement and fails to remedy such breach within fourteen (14) days of written notice requiring the breach to be remedied, then the Party giving the notice will be entitled, at its option, either to terminate this Agreement and claim damages or alternatively to claim specific performance of all the defaulting Party's obligations, together with damages, if any, whether or not such obligations have fallen due for performance.

## 18. DISPUTE RESOLUTION

18.1 In the event of a dispute arising between the Parties in terms of this Agreement, the Parties must first attempt to resolve the dispute within fourteen (14) days of the declaration of such dispute by the aggrieved Party, in terms of the applicable legislative and policy framework for Co-operative Government and Inter-governmental Relations as provided for in section 41 of the Constitution of the Republic of South Africa, Act No 106 of 1996.

18.2 Should the Parties exhaust all mechanisms in terms of Clause 19.1 and fail to resolve the dispute:

- (a) The Party notified of the dispute shall have twenty one (21) days from date of failure to resolve the dispute in terms of Clause 21.1 to rectify the cause of the dispute
- (b) In the event the Party notified of the dispute fails to rectify the cause of the dispute in terms of Clause 21.1, the aggrieved Party may refer the dispute to arbitration in terms of Clause 22;

18.3 The provisions of this Clause shall not operate to prevent either Party from seeking urgent interim relief, pending arbitration or other legal action.

## **19. ARBITRATION**

19.1 In the event a dispute is referred to arbitration in terms of Clause 19.2, such dispute shall be resolved in accordance with the rules of the Arbitration Act, 1965 (Act No. 42 of 1965) by an arbitrator or arbitrators appointed by the KwaZulu-Natal Law Society; and

19.2 The decision of the arbitrator shall be final and binding on all Parties.

## **20. AMENDMENTS**

20.1 No alterations or amendments to this Agreement shall be valid unless reduced to writing and signed by all Parties.

## **21. INDULGENCE OR EXTENSION**

21.1 No indulgence or extension granted by either of the Parties shall be construed as a waiver and/or as creating additional rights and or a precedent;

21.2 The Parties acknowledge that they have not been influenced into this Agreement by any warranty or representation other than those contained in this Agreement;

21.3 The Parties acknowledge that they have acquainted themselves with all facts relevant to this Agreement and neither Party shall be liable for non-disclosure of any material information.

FOR \_\_\_\_\_ MUNICIPALITY

NAME: \_\_\_\_\_

SIGNED AT \_\_\_\_\_ ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2011

AS WITNESS

1. \_\_\_\_\_

2. \_\_\_\_\_

\_\_\_\_\_  
foruThukela Water (Pty) Ltd

NAME: \_\_\_\_\_

SIGNED AT \_\_\_\_\_ ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2013

AS WITNESS

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
FOR IMATU

NAME: \_\_\_\_\_

SIGNED AT \_\_\_\_\_ ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2013

AS WITNESS

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
FOR SAMWU

NAME: \_\_\_\_\_

**ITEM 6**

**QUESTIONS OF WHICH NOTICE HAS BEEN GIVEN**

**ITEM 7**

**MOTIONS OF WHICH NOTICE HAS BEEN GIVEN**

**ITEM 8**

**REPORTS OF THE EXECUTIVE COMMITTEE**

The Mayor, Cllr. A.F. Rehman, will move that the recommendations of the Executive Committee be considered and that the resolutions of the said committee adopted under powers delegated to the committee and where indicated, be noted.

**FOR CONSIDERATION**

**MEETING HELD ON 2013-07-23**

Recommendation A 22 (pages 4 and 5)

**FOR INFORMATION**

**SPECIAL MEETING HELD ON 2013-06-26 at 13:30**

Resolutions B 143 to B 146 (pages 6 and 7)

**SPECIAL MEETING HELD ON 2013-07-04**

Resolutions B 147 to B 152 (pages 8 to 10)

**MEETING HELD ON 2013-07-23**

Resolutions B 153 to B 170 (pages 11 to 22)

**ITEM 9**

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE : (CS(A) 3/2/2/2/70)**

The Chairperson of the Newcastle Municipal Public Accounts Committee, Cllr. G.A. Mncube, will move that the following resolutions and recommendations of the MPAC be noted and considered :-

- Meeting held on 20 June 2013

**FOR CONSIDERATION**

# **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

*of the*

## **NEWCASTLE MUNICIPAL COUNCIL**

MINUTES OF THE MEETING OF THE  
NEWCASTLE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
HELD IN THE EXCO ROOM, MUNICIPAL BUILDING,  
SCOTT STREET, NEWCASTLE ON THURSDAY,  
20 JUNE 2013 AT 09:00

## MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

MEETING : 20 JUNE 2013

### ATTENDANCE REGISTER

#### PRESENT

Councillor	N	T	Ntshangase	:	Acting Chairperson
Councillor	D	X	Dube		
Councillor	J	K	Gabuza		
Councillor	T	S	Hlabisa		
Councillor	I		Keeka		
Councillor	H	S	Madonsela		
Councillor	M	S	Mlangeni		
Councillor	D	E	Tshabalala		
Councillor	N	A	Zwane		

#### ABSENT WITH APOLOGY

Councillor	G	A	Mncube	:	ill
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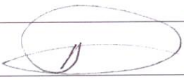








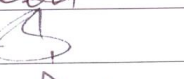

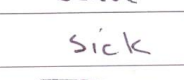


#### OFFICIALS IN ATTENDANCE

Acting Municipal Manager	:	Mr	E		Hauptfleisch
Chief of Operations	:	Mr	B	E	Mswane
Acting SED : Budget and Treasury Office	:	Mr	S		Nkosi
Manager : Internal Audit	:	Mr	S	V	Ngwenya
Director : Administration	:	Ms	D	R	Hlophe
Risk Manager	:	Mr	W	M	Ndlela
Manager : Performance Management	:	Mrs	N		Ticka-Ragunanan
Managing Assistant	:	Mrs	Y	T	Du Toit
Accountant : Budget and Treasury	:	Mr	B	N	Khumalo
Intern : Budget and Treasury	:	Mr	Z	F	Mkhizi
Senior Administrative officer	:	Mrs	F	J	Hadden
Intern : Administration	:	Ms	S	N	Sithole
Intern : Administration	:	Ms	Z		Xulu



# NMPAC

## ATTENDANCE REGISTER FOR THE MEETING HELD ON 20 June 2013

NAME	SIGNATURE
Cllr G A Mncube (Chairperson)	 Sick.
Cllr D X Dube	
Cllr J K Gabuza	
Cllr T S Hlabisa	
Cllr I Keeka	
Cllr H S Madonsela	
Cllr M S Mlangeni	
Cllr N T Ntshangase	
Cllr D E Tshabalala	
Cllr N A Zwane	
Mr K Masange	On leave
Mr M J Mayisela	Sick
Mr B E Mswane	
Mr E Hauptfleisch	
Miss D Hlophe	
Mr E M Nkosi	Leave
Mr M P Sithole	Sick
Mr S B Dube	
Mr T Mlanga	



**1 : OPENING**

Due to the absence of the Chairperson, Cllr. N.T. Ntshangase was proposed and elected as Acting Chairperson for the duration of the meeting. Cllr. I. Keeka requested all members to rise and observe a moment of silence.

**2 : APPLICATIONS FOR LEAVE OF ABSENCE**

The meeting was informed that Cllr. G.A. Mncube had given notice to the effect that he would not be able to attend the meeting.

**RESOLVED**

That Cllr. G.A. Mncube be granted leave of absence from attending the meeting.

**SED:CS(A)**  
**B.S. Ntombela**

**3 : OFFICIAL NOTICES**

**KwaZulu-Natal legislature : Public Accounts Standing Committee : Proposed programme for 2013**

The Acting Municipal Manager informed the meeting that he had received an e-mail advising that the Provincial Public Accounts Standing Conference had been scheduled to take place in Pietermaritzburg on 17 September 2013 and the National Conference scheduled for the period 30 September 2013 to 2 October 2013 in Port Elizabeth.

He advised the committee to diarise the dates. Any further information would be circulated to members of the committee on receipt thereof.

Following discussion, it was

**RESOLVED**

That the secretariat attend to all arrangements necessary with regards to attendance of the MPAC at the Provincial Public Accounts Standing Committee Conference to be held in Pietermaritzburg on 17 September 2013.

**SED:CS(A)**  
**B.S. Ntombela**

**4 : UNOPPOSED PROPOSALS**

**NONE**

**5 : CONFIRMATION OF MINUTES**

**RESOLVED**

That the minutes of the postponed meeting of the Newcastle MPAC held on 28 May 2013, be confirmed.

**6 : QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN**

**NONE**

**7 : MOTIONS OF WHICH NOTICE HAD BEEN GIVEN**

**NONE**

**8 : URGENT MATTERS**

**NONE**

**9 : SECTION 71 : MONTHLY BUDGET STATEMENT : NATIONAL REPORTING STANDARD : MONTH TEN : 30 APRIL 2013 : (BTO 6/1/1 - 2012/2013)**

**RESOLVED**

- (a) That the tenth months operational results for the period up to 30 April 2013 be noted;
- (b) that the Strategic Executive Directors at all times remain within the financial guidelines of the Municipal Finance Management Act;
- (c) that the Strategic Executive Directors commit themselves to maintaining a credible budget target for revenue and expenditure;
- (d) that the Strategic Executive Directors acknowledge the significance of the 2012/2013 approval capital budget as a service delivery barometer;
- (e) that the section 71 report for May and June 2013 be submitted at the meeting of the MPAC to be held in July 2013;
- (f) that the Municipal Manager and the Strategic Executive Director : Budget and Treasury Office to intervene and assist those departments who are under-performing;

**SED:BTO**  
**A.F. Rehman**

- (g) that milestones be tabled on a monthly basis in order for the MPAC to have oversight as to the performance of the various departments;
- (h) that it be noted that the tenth month's report was outdated and therefore could not be interrogated.

**SED:BTO**  
**A.F. Rehman**

**10 : ASIPHEPHE LINK ROAD AND THE NGAGANE RIVER BRIDGE AT MADADENI TOWNSHIP**

**RESOLVED**

- (a) That the report be held in abeyance and be considered once the Municipal Manager has returned from leave;
- (b) that should the Municipal Manager not be available, he delegate a staff member to be in attendance at the meeting of the MPAC when the matter will be considered;
- (c) that members who expressed concern regarding the report submit same in writing to the Municipal Manager as per the respective caucus discussions.

**MM**

**11 : MID-YEAR PERFORMANCE REVIEW : 2012/2013**

The Chief of Operations advised the MPAC that the mid-year performance review : 2012/2013 had served before the committee as part of the annual report. It was, however, established that the recommendations of MPAC had not been captured.

Following discussion, it was

**RESOLVED**

That the recommendations of MPAC as the Oversight Committee, be included in the annual report of the Newcastle Municipality for the 2012/2013 financial year.

**MM**

**12 : ENTERPRISE RISK MANAGEMENT REPORT TO AUDIT COMMITTEE : 3<sup>rd</sup> QUARTER : 2012/2013**

**RESOLVED**

That the report be submitted to the Executive Committee, whereafter the MPAC would consider the matter.

**MM**

13 : MANAGEMENT ACTION PLAN TO AUDITOR-GENERAL REPORT 2011/2012 FINANCIAL YEAR

RESOLVED

That the report be referred to the next meeting of the Executive Committee, | MM

14. CLOSURE

There being no further business to discuss, Cllr. I. Keeka requested all members to rise and observe a moment of silence, the time being 11:25.

**CONFIRMED**

DATE

CHAIRPERSON

# **PART A**

**RECOMMENDATIONS  
OF THE EXECUTIVE  
COMMITTEE TO THE  
NEWCASTLE  
MUNICIPAL COUNCIL  
FOR CONSIDERATION**

EXECUTIVE COMMITTEE

MEETING

24 JULY 2013



**A22 : REPORTS OF ANY COMMITTEE****A. Community Services Portfolio Standing Committee : Meeting held on 2 July 2013****Report : Adopt a River Project : (CS 6/1/5(A))****RESOLVED TO RECOMMEND**

- (a) That following the ministerial enquiry a report of response as compiled on Newcastle Municipality's efforts to address the environmental concerns raised at the Bus and Taxi Rank area be noted;
- (b) that the Adopt a River project in the amount of R442 910 by the Department of Water Affairs be supported;
- (c) that actions plans be prioritised in the IDP.

**SED:CS**  
**N.P. Kunene**

**B. Development Planning and Human Settlements Portfolio Standing Committee : Meeting held on 10 July 2013****(i) Proposed sale/donation of erf 14674 Newcastle : (DP&HS(H&L) 14/4 - 14674)****RESOLVED TO RECOMMEND**

- (a) That Council approves the lease of erf 14674 Newcastle at market related rental, in terms of section 14(2)(b) of the Municipal Finance Management Act, N°. Act. 56 of 2003, read with section 47(1) and (3)(d) of the Supply Chain Management Policy as it provides for the disposal of an asset with due consideration of the fair market value of the asset and the economic and also the community value to be received in exchange of the asset;
- (b) that Council approve the lease of erf 14674 Newcastle at a market related rental of R75, 00 per month calculated at 10% of the market value with a rental escalation of 7% per annum;
- (c) that the proposed long term lease be advertised in the media to solicit proposals or objections from the public, at the cost of the applicant;
- (d) that the property acquires a "municipal special consent use", so that the current zoning public open space of the subject property shall remain in force but with a municipal special consent use and a report in

**SED:DP&HS**  
**M. Shunmugam**

this regard be submitted to the Director : Town Planning;

- (e) that a certificate issued by a Professional Engineer certifying that the proposed use is designed in a way that it accommodates the geological risks inherent to the subject site at the cost of the applicant;
- (f) that the applicant be liable for the costs relating to the municipal special consent use and any advertisement costs and that a deposit based on these costs together with an administration charge of 10% be paid prior to commencement of the formalities.

**SED:DP&HS**  
**M. Shunmugam**

**(ii) Proposed lease or sale of a thorough-fare along Mossie Street between erf 10925 and 10924 Newcastle : (DP&HS(H&L) 14/1/1/1 - 10)**

**RESOLVED TO RECOMMEND**

- (a) That Council approve of the sale of a thorough-fare along Mossie Street, between erf 10925 and 10924 Newcastle for ingress purposes and that the thorough-fare is a secondary ingress / egress to erf 10928, which must be rezoned for consolidation with erf 10928, at the applicant's cost;
- (b) that Council notes that the sale of the property referred to in (a) above by private treaty must be reported to Treasury General in terms of sub-regulation (2) of Municipal Systems Act, as well as in accordance with the provisions of Treasury Asset Transfer Regulations Notice 878 as promulgated in Government notice N°. 31346 dated 22 August 2008;
- (c) that the Council approves that the submission referred to in (b) above must be made within 7 days after the decision on award of the sale is taken but, no contract commits the municipality signed;
- (d) that the applicant takes note of the bulk sewer line situated on the southern boundary of the thorough-fare and that the bulk sewer line servitude must be registered in favour of the Newcastle Municipality and the costs to register such servitude are to be borne by the applicant.

**SED:DP&HS**  
**M. Shunmugam**

# **PART B**

**RESOLUTIONS  
OF THE EXECUTIVE  
COMMITTEE ADOPTED  
UNDER DELEGATED  
POWERS**

**FOR NOTING**

EXECUTIVE COMMITTEE

SPECIAL MEETING

26 JUNE 2013 (13:30)

## **SPECIAL EXECUTIVE COMMITTEE MEETING**

**26 JUNE 2013**

### **ATTENDANCE REGISTER**

#### **PRESENT**

Councillor	R	N	Mdluli	:	Acting Chairperson
Councillor	S	B	M Lukhele		
Councillor	R	B	Ndim		
Councillor	M		Shunmugam		
Councillor Dr	J	A	Vorster		

#### **ABSENT WITH APOLOGY**

Councillor	T	Z	Hadebe	:	out of town
Councillor	N	P	Kunene	:	out of town
Councillor	B	S	Ntombela	:	indisposition
Councillor	A	F	Rehman	:	oversees

#### **ALSO PRESENT**

Councillor	S	M	Thwala	:	Chief Whip
Councillor	M	F	Zikhali	:	Speaker

#### **OFFICIALS PRESENT**

Acting Municipal Manager	:	Mr	E	Hauptfleisch
Chief of Operations	:	Mr	B	E Mswane
Strategic Executive Director : Budget and Treasury Office	:	Mr	M	J Mayisela
SED : DP&HS	:	Ms	N	Thusi
Acting Strategic Executive Director : Community Services	:	Mr	S	S Ndlovu
Acting Strategic Executive Director : Technical Services	:	Mr	V	Mbonyane
Director : IT	:	Ms	V	Vinkhumbo
Manager : Internal Audit	:	Mr	S	V Ngwenya
Senior Administrative Officer	:	Mrs	F	J Hadden
Intern Administration	:	Ms	Z	Xulu
Intern Administration	:	Ms	S	N Sithole

**B143 : OPENING**

The Deputy Mayor requested all members to rise and observe a moment of silence.

**B144 : APPLICATIONS FOR LEAVE OF ABSENCE : (CS(A) 3/1/4/1)**

The meeting was informed that Cllrs. T.Z. Hadebe, N.P. Kunene, B.S. Ntombela as well as A.F. Rehman had given notice to the effect that they would not be able to attend the meeting.

**RESOLVED**

That Cllrs. T.Z. Hadebe, N.P. Kunene, B.S. Ntombela and A.F. Rehman be granted leave of absence from attending the meeting.

**SED:CS(A)**  
**B.S. Ntombela**

**B145 : CONFIRMATION OF MINUTES**

**RESOLVED**

- (a) That the minutes of the meeting of the Executive Committee held on 18 June 2013 be confirmed;
- (b) that the minutes of the special meeting of the Executive Committee held on 19 June 2013 be confirmed.

**B146 : CATERING COSTS : EXECUTIVE COMMITTEE MEETINGS : (CS(A) 20/3/01/2)**

**RESOLVED**

- (a) That an amount of R200 ,00 per month be deducted from the allowances/remuneration of Executive Committee members, the Speaker, the Chief Whip as well as officials for catering at ordinary meetings of the Executive Committee, with effect 1 July 2013;
- (b) that expression of interests be invited from professional caterers to prepare quality meals to be served at Executive Committee meetings, six (6) caterers be shortlisted and their services be rotated bimonthly.

**SED:BTO**  
**SED:CS(A)**  
**A.F. Rehman**  
**B.S. Ntombela**

**CONCLUSION OF MEETING**

There being no further business to discuss, the meeting concluded at 13:50.

**CONFIRMED**

DATE

CHAIRPERSON

EXECUTIVE COMMITTEE

SPECIAL MEETING

4 JULY 2013



## SPECIAL EXECUTIVE COMMITTEE MEETING

4 JULY 2013

### ATTENDANCE REGISTER

#### PRESENT

Councillor	A	F	Rehman	:	Mayor
Councillor	T	Z	Hadebe		
Councillor	N	P	Kunene		
Councillor	R	N	Mdluli		
Councillor	R	B	Ndimma		
Councillor	M		Shunmugam		
Councillor Dr	J	A	Vorster		

#### ABSENT WITH APOLOGY

Councillor	S	B	M	Lukhele	:	out of town
Councillor	B	S		Ntombela	:	indisposition

#### ALSO IN ATTENDANCE

Mr	K		Masange	:	Municipal Manager
Mr	T		Khoza	:	Office of the Auditor-General
Mr	A		Zungu	:	Office of the Auditor-General
Mr	M		Cele	:	uThukela Water (Pty) Ltd.
Mr	L	L	Cunha	:	uThukela Water (Pty) Ltd.

#### OFFICIALS PRESENT

Acting Municipal Manager	:	Mr	E		Hauptfleisch
Chief of Operations	:	Mr	B	E	Mswane
Executive Manager : Legal Services	:	Mr	E	M	Nkosi
Strategic Executive Director : Budget and Treasury Office	:	Mr	M	J	Mayisela
SED : DP&HS	:	Ms	N		Thusi
Director : IT	:	Ms	N		Vinkhumbo
Director : Technical Services	:	Mr	V		Mboyane
Manager : Internal Audit	:	Mr	S	V	Ngwenya
Manager : Risk	:	Mr	W		Ndlela
Manager : Water Services Authority	:	Mr	N	H	Ncube arrived 13:25
Administrative Officer	:	Mrs	M	E	Palmer
Intern Administration	:	Ms	Z		Xulu
Intern Administration	:	Ms	S	N	Sithole

**B147 : OPENING**

The Mayor requested all members to rise and observe a moment of silence.

**B148 : APPLICATIONS FOR LEAVE OF ABSENCE : (CS(A) 3/1/4/1)**

The meeting was informed that Cllrs. S.B.M. Lukhele as well as B.S. Ntombela had given notice to the effect that they would not be able to attend the meeting.

**RESOLVED**

That Cllrs. S.B.M. Lukhele as well as B.S. Ntombela be granted leave of absence from attending the meeting.

**SED:CS(A)**  
**B.S. Ntombela**

**B149 : YEAR-END VIREMENT TRANSFERS : (BTO 6/1/1 - 2012/2013)**

**RESOLVED**

- (a) That the year-end virement process as proposed by the Strategic Executive Director : Budget and Treasury Office, be noted;
- (b) that the Strategic Executive Director : Budget and Treasury Office be granted permission to utilise savings from one departmental vote to defray over-expenditure in another vote in that particular department.

**SED:BTO**  
**A.F. Rehman**

**B150 : ESTABLISHMENT OF THE BUDGET STEERING COMMITTEE : (BTO 3/2/2/2/62)**

**RESOLVED**

- (a) That the Executive Committee establish a Budget Steering Committee as required by the Municipal Budget and Reporting Regulations (MBRR) in terms of section 168 of the Municipal Finance Management Act and regulations emanating therefrom;
- (b) that the Budget Steering Committee referred to in (a) be comprised of the following members :-
  - Cllr. Dr. J.A. Vorster
  - Municipal Manager
  - Chief Financial Officer
  - Senior managers responsible for at least the largest votes in the municipality
  - Manager responsible for budgeting
  - Manager responsible for planning
  - Any technical expert on infrastructure.

**SED:BTO**  
**A.F. Rehman**

**B151 : uTHUKELA WATER (PTY) LTD. TAKE-OVER : WATER SERVICES : (COO 11/2/2/7)****RESOLVED**

- (a) That, as a matter of urgency, the Managing Director : uThukela Water (Pty) Ltd. convene a shareholders' meeting for Monday, 8 July 2013 to discuss the request by uThukela Water (Pty) Ltd. for an upfront payment for bulk water provision;
- (b) that in the interim, an amount of R5,2 million (inclusive of VAT) be paid to uThukela Water (Pty) Ltd. as a temporary measure to ensure the continuity of services to shareholding municipalities;
- (c) that the position of Director : Water Services be addressed by the Municipal Manager upon his return from annual leave;
- (d) that the existing lease contract of uThukela Water (Pty) Ltd. for the Block B building, currently being utilised by staff transferred to Newcastle Municipality, be extended until 30 August 2013;
- (e) that a lease contract for offices in the Nedbank building and required by staff transferred to Newcastle Municipality, be processed prior to 30 August 2013;
- (f) that vehicles transferred to Newcastle Municipality be included in the Newcastle Municipal vehicle insurance portfolio;
- (g) that the 48 vehicles transferred from uThukela Water (Pty) Ltd. be subject to a certificate of roadworthy test at a cost of R390,00 per vehicle and a total cost of R18 720,00;
- (h) that the vehicles referred to in (g) above be repaired in accordance with the cost and recommendations of the testing station;
- (i) that the lease of rental vehicles currently being used by uThukela Water (Pty) Ltd. and transferred to the Newcastle Municipality be extended until 30 August 2013 and such vehicles be included in the Newcastle Municipal insurance portfolio.

COO

**B152 : ADDITIONAL MATTERS**

- (i) **Appropriation of the CoGta grant towards the refurbishment of the airport facilities : (DP&HS (ED) 147/7/1)**

**RESOLVED**

That the appropriation in the amount of R1,5 million for the rehabilitation and upgrade of the Newcastle Airport, be approved.

**SED:DP&HS**  
**M. Shunmugam**

- (ii) **Communication N°. 7 : (MM 6/12/2)**

**RESOLVED**

That the correspondence as received from the Office of the Auditor-General and referring to Council : Clean administration not committed by Council, be referred to the Municipal Manager to respond thereto.

**MM**

- (iii) **Osizweni WWTW uThukela Water (Pty) Ltd. Service provider payments : Water and sanitation projects : (TS 6/1/1 - 2013/2014)**

**RESOLVED**

That the amount of R2 474 000 as transferred from the Department of Water Affairs to the Newcastle Municipality for the refurbishment of the Osizweni Waste Water Treatment Work, be included in the 2013/2014 budget.

**SED:TS**  
**R.N. Mdluli**

**CONCLUSION OF MEETING**

There being no further business to discuss, the meeting concluded at 14:00.

**CONFIRMED**

DATE

CHAIRPERSON

EXECUTIVE COMMITTEE

MEETING

24 JULY 2013

## EXECUTIVE COMMITTEE MEETING

24 JULY 2013

### ATTENDANCE REGISTER

#### PRESENT

Councillor	A F	Rehman	:	Mayor
Councillor	T Z	Hadebe		
Councillor	N P	Kunene		
Councillor	S B M	Lukhele		
Councillor	R N	Mdluli		
Councillor	R B	Ndimma		
Councillor	M	Shunmugam		
Councillor Dr	J A	Vorster		

#### ABSENT WITH APOLOGY

Councillor	B S	Ntombela	:	indisposition
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#### ALSO PRESENT

Councillor	S M	Thwala	:	Chief Whip
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#### OFFICIALS PRESENT

Municipal Manager	:	Mr	K	Masange
Chief of Operations	:	Mr	B E	Mswane
Executive Manager : Legal Services	:	Mr	E M	Nkosi
Strategic Executive Director : Budget and Treasury Office	:	Mr	M J	Mayisela
Strategic Executive Director : Community Services	:	Mr	M P	Sithole
Strategic Executive Director : Corporate Services	:	Mr	E	Hauptfleisch
SED : DP&HS	:	Ms	N	Thusi
Strategic Executive Director : Technical Services	:	Mr	S B	Dube
Director : Administration	:	Mrs	D R	Molefe
Director : IDP	:	Mr	T	Mhlanga
Director : IT	:	Ms	V	Vinkhumbo
Manager : Internal Audit	:	Mr	S V	Ngwenya
Manager : Executive Support	:	Ms	H	Manqele
Chief Risk Officer	:	Mr	W	Ndlela
Administrative Officer	:	Mrs	M E	Palmer
Intern Administration	:	Ms	Z	Xulu
Intern Administration	:	Ms	S N	Sithole

**B153 : OPENING**

The Mayor requested all members to rise and observe a moment of silence.

**B154 : APPLICATIONS FOR LEAVE OF ABSENCE : (CS(A) 3/1/4/1)**

The meeting was informed that Cllr. B.S. Ntombela had given notice to the effect that he would not be able to attend the meeting.

**RESOLVED**

That Cllr. B.S. Ntombela be granted leave of absence from attending the meeting.

**SED:CS(A)**  
**B.S. Ntombela**

**B155 : OFFICIAL NOTICES**

**NONE**

**B156 : UNOPPOSED PROPOSALS BY MAYOR**

**NONE**

**B157 : CONFIRMATION OF MINUTES**

**RESOLVED**

- (a) That the minutes of the special meeting of the Executive Committee held on 26 June 2013, be confirmed;
- (b) that the minutes of the special meeting of the Executive Committee held on 4 July 2013, be confirmed.

**B158 : QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN**

**NONE**

**B159 : MOTIONS OF WHICH NOTICE HAD BEEN GIVEN**

**NONE**

**B160 : REPORTS OF ANY COMMITTEE****A.(i) Community Services Portfolio Standing Committee : Meeting held on 2 July 2013****RESOLVED**

That resolutions B30 to B33 as well as B35 to B38 of the Community Services Portfolio Standing Committee meeting held on 2 July 2013, be noted.

**(ii) Confirmation of minutes****RESOLVED**

- (a) That resolution B34 of the Community Services Portfolio Standing Committee held on 2 July be received;
- (b) that SALGA be approached to facilitate a workshop for councillors with regard to the order and procedure of meetings.

**SED:CS(A)**  
**B.S. Ntombela**

**(iii) Greenest municipality competition funding report : (CS 10/1/6/1)****RESOLVED**

- (a) That a task team be formed to determine suitable projects on which the prize money of R3.3 million could be utilised, such report to be tabled at the next scheduled Executive Committee meeting;
- (b) that judges of the previous competition be contacted to establish what Newcastle is lacking in their attempt to win 1<sup>st</sup> prize.

**MM**

**(iv) Waste management operations : (CS 11/4/3/2)****RESOLVED**

- (a) That recommendation A9 of the Community Services Portfolio Standing Committee held on 2 July 2013, be rescinded;
- (b) that the Department of Community Services undertake an investigation into the supply of refuse wheelie bins to consumers in order to replace the refuse bag system of waste removal, such report to be submitted at the next scheduled Executive Committee meeting.

**SED:CS**  
**N.P. Kunene**



(v) **Bonanza fire incident report : (CS 12/3/2)****RESOLVED**

That in an effort to augment the staff compliment and to confirm to the National Standard (South African National Standard 10090 - 2003), the matter be referred to the office of the Municipal Manager for consideration by the task team dealing with critical vacancies.

**SED:CS**  
**N.P. Kunene**

B.(i) **Corporate Services Portfolio Standing Committee : Special meeting held on 9 July 2013****RESOLVED**

That resolutions B37 to B40 as well as B42 and B43 of the Corporate Services Portfolio Standing Committee special meeting held on 9 July 2013, be noted.

(ii) **Skills training : (CS(A) 5/6/5/3)****RESOLVED**

- (a) That the Chairperson and Strategic Executive Director : Corporate Services meet with the Speaker and his support staff to discuss the matter of skills training;
- (b) that councillors meet with Divisional Head : Human Resources to discuss any training needs they might have.

**SED:CS(A/HR)**  
**B.S. Ntombela**

C.(i) **Development Planning and Human Settlements Portfolio Standing Committee : Meeting held on 10 July 2013****RESOLVED**

That resolutions B92 to B111 of the Development Planning and Human Settlements Portfolio Standing Committee meeting held on 10 July 2013, be noted.

(ii) **Opening**

**RESOLVED**

That with regard to resolution B91, the on-going problem with non-attendance of portfolio and other meeting, be referred to the Speaker for a full investigation.

(iii) **Proposed revision of the Development Planning and Human Settlements organisational macro and functional structure : (DP&HS 2/1/2)**

**RESOLVED**

- (a) That the revised macro and functional structure of the Development Planning and Human Settlements Portfolio Standing Committee be approved;
- (b) that the introduction of the new Directorate of Urban Renewal Programme and Special Projects to form an additional directorate of the Department of Development Planning and Human Settlements be approved;
- (c) that a presentation pertaining to the structure referred to in (a) above be given at the next scheduled meeting of the Development Planning and Human Settlements Portfolio Standing Committee.

**SED:DP&HS**  
**M. Shunmugam**

(iv) **Establishment of Transnet multi-purpose terminal logistical hub : (DP&HS 13/5/1/1)**

**RESOLVED**

- (a) That Council notes and supports the development of the Newcastle Terminal by Transnet Freight;
- (b) that Council approves the continuing facilitation and work between the Department of Development Planning and Human Settlements and the Transnet team, in order to ensure that the project provides full benefit to the public of Newcastle.

**SED:DP&HS**  
**M. Shunmugam**

(v) **Progress report on rehabilitation and upgrade of the Newcastle Airport: (DP&HS(ED) 17/7/1)**

**RESOLVED**

- (a) That the progress made with regards to the Newcastle airport rehabilitation and upgrade project, be noted;
- (b) that the establishment of an Airport Operational Committee, with representatives from all departments, be approved and that this committee meet every month to deal with all Newcastle Airport operational requirements;
- (c) that the month to month contract with the Aerodrome Manager, be reviewed;
- (d) that it be noted that further delays in the review of recommendation (c) above, will impact on the jet fuel supply as the Aerodrome Manager is the supplier of this commodity at Newcastle Airport, without contractual agreement;
- (e) that a report pertaining to the tariff of charges levied at the Airport in respect of taxes, fuel, hangar fees be tabled at the next Development Planning and Human Settlements Portfolio Standing Committee.

**SED:DP&HS**  
**M. Shunmugam**

(vi) **Establishment of tourist precincts at the intersection of Chief Albert Luthuli and Dr. Nelson Mandela road in Madadeni and the enhancement of the monument at the corner of Clifford Manana bridge and Albert Wessels : (DP&HS(ED) 19/1/5/42)**

The Mayor requested that a plaque, as a tribute to the Manana family, be erected on the bridge.

**RESOLVED**

- (a) That the enhancement of the intersection of Chief Albert Luthuli and Dr. Nelson Mandela Roads in Madadeni to create a visible landmark/statue as a resemblance of their life in Newcastle, be approved;
- (b) that access to the bus accident monument located at the corner of Albert Wessels and Clifford Manana Bridge be improved and that public furniture/facilities be provided to improve visits by the families and the general public.

**SED:DP&HS**  
**M. Shunmugam**

(vii) **Approval of funds for acquisition of land : Blauwboschlaagte farms : Premiers development project : (DP&HS(H&L) 13/15/4)**

**RESOLVED**

- (a) That Council accepts the grant of R12 685 530,79 from Provincial Department of Human Settlements for acquisition of certain pieces of privately owned land in Blauwboschlaagte;
- (b) that the Provincial Department of Human Settlements be advised that DBM Attorneys are the conveyancers responsible for the expropriation process;
- (c) that it be noted that R436 506,00 of the grant referred to in (a) above will be refunded to the municipality in terms of clause 6.1.4 of the land funding agreement;
- (d) that the conveyancing costs in the amount of R41 024,79 be paid to the conveyances for DBM Attorneys for the work already undertaken.

**SED:DP&HS**  
**M. Shunmugam**

(viii) **Application in terms of the KwaZulu-Natal Planning and Development Act N°. 6 of 2008 : Development outside the area of the Town Planning Scheme to establish low income housing development on erf 39 Madadeni section H : (DP&HS(H&L) 13/3/3 - H39)**

**RESOLVED**

That in terms of the KwaZulu-Natal Planning and Development Act, N°. 6 of 2008 approval be given to :-

- (i) subdivision of erf 39 Madadeni section H to create approximately 982 erven (for the purpose of establishing single residential, worship, crèche, public open space, educational, place of assembly, commercial and roads) as reflected on layout plan N°. 7108/01c;
- (ii) zoning of the above erven be compliant with the Town Planning Scheme which accompanied the report.

**SED:DP&HS**  
**M. Shunmugam**

**B161 : URGENT MATTERS****(i) Catering costs : (CS(A) 20/3/1/2)****RESOLVED**

That an amount of R100,00 per month be deducted from the remuneration of Executive Committee councillors, the Speaker, Chief Whip and officials attending Executive Committee meetings in lieu of catering expenses for meals supplied at the Executive Committee meetings.

**SED:BTO**  
**A.F. Rehman**

**(ii) Questions of which notice had been given : (MM 3/4/1)****RESOLVED**

That the Chairperson : Ward 2 ward committee be advised that questions of the ward 2 committee be dealt with in terms of item 14 of the Standing Rules and Orders of the Newcastle Municipality.

**MM**

**(iii) Woman councillors dialogue : CoGta : (MM 19/1)****RESOLVED**

- (a) That the invitation of the woman councillors Dialogue as received from CoGta scheduled for 29 - 30 August 2013 in Durban, as well as the women in Local Government Conference as received from CoGta scheduled for 1 - 2 August 2013 in Midrand, be accepted;
- (b) that flight arrangements be made with Freedom Air to convey the delegates to the said conferences.

**MM**

**(iv) Anti-corruption programme : (MM 8/2)****RESOLVED**

That the anti-corruption programme be workshopped by CoGta on 30 January 2014, such workshop to be inclusive of the Executive Committee, MPAC and officials.

**MM**

(v) **Madadeni and Kilbarchan WWTW funding schedule 6 per DORA : (TS 11/4/2/1/4)**

**RESOLVED**

(a) That the undermentioned amounts be included in the 2013/2014 financial budget :-

- Madadeni WWT - R4 420 000,00
- Kilbarchan WWT - R1 460 000,00;

(b) that the department of Water Affairs be requested to issue invoices timeously.

**SED:TS**  
**R.N. Mdluli**

(vi) **Water projects : Water and sanitation projects : (TS 11/4/2/1/4)**

**RESOLVED**

That the undermentioned projects be approved so that funding can be sourced to implement water and sanitation services in support of housing development projects in Newcastle :-

<u>Name of project</u>	<u>Cost estimate</u>
Charlestown bulk water and sanitation	R290 million
H39 Bulk sewer and water	R3 million
Siyahlala bulk sewer	R15 million
Blauwbosch bulk water and sewer	R110 million
Ngagane water treatment plant	R60 million
Bosworth Farm water and sanitation	R90 million
Madadeni Waste water treatment (DWA, ACIP funding)	R4,42 million
Kilbarcah Waste water treatment plant (DWA, ACIP funding)	R1,460 million

**SED:TS**  
**R.N. Mdluli**

(vii) **Application for outdoor advertising by Freedom Air : Erection of billboard structure, signs on lamp poles and banners within strategic areas of Newcastle : (DP&HS 10/1/5/1)**

**RESOLVED**

(a) That Council supports in principle the application by Freedom Air for advertising rights on billboards to be constructed;

(b) that Council further supports display advertising signs on the lamp poles and banners for the period of six months;

**SED:DP&HS**  
**M. Shunmugam**

- (c) that all the above be constructed at the cost of the airline;
- (d) that the airline maintain all the signs hereby supported to the satisfaction of this municipality;
- (e) that a separate contract stipulating the terms and conditions as well as applicable monthly payments for permanent advertising sign rights be entered into between Council and the airline. The contract be eventually submitted to Council for information purposes.

**SED:DP&HS**  
**M. Shunmugam**

**B162 : DDP : 8<sup>th</sup> ANNUAL CONFERENCE : (CS(A) 19/1)**

**RESOLVED**

- (a) That the Mayor as well as the portfolio councillor for Corporate Services be delegated to attend the DDP 8<sup>th</sup> Annual Conference in Durban on 28 to 30 October 2013;
- (b) that the Municipal Manager nominate the official to attend (a) above.

**MM**  
**SED:CS(A)**  
**B.S. Ntombela**

**B163 : SALGA : CONSULTATIVE PROVINCIAL MEETING : PENSION FUND CONTRIBUTIONS : (CS(A) 19/1/1/1)**

**RESOLVED**

That it be noted that sufficient funds are available to apply the 18% employer contribution as contained in clause 9.3 of the salary and wage agreement on pension fund contributions.

**SED:CS(A)**  
**B.S. Ntombela**

**B164 : COUNCILLOR REMUNERATION : PROPOSED INCREASES AND ADDITIONAL ALLOWANCES AND BENEFITS IN RESPECT OF THE 2012/2013 FINANCIAL YEAR IN TERMS OF GOVERNMENT GAZETTE N°. 1032 DATED 7 DECEMBER 2012 : (CS(A) 6/6/1)**

**RESOLVED**

That the contents of CoGta circular N°. 8 of 2013 dated 24 June 2013, be noted.

**SED:CS(A)**  
**B.S. Ntombela**

**B165 : SALARY ADJUSTMENT : 2013/2014 FINANCIAL YEAR : MUNICIPAL MANAGER AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGER : (MM 5/4/1/2)**

**RESOLVED**

That a salary adjustment in respect of the 2013/2014 financial year applicable to the Municipal Manager and those managers directly accountable to the Municipal Manager shall be 6,84% with effect from 1 July 2013.

**MM**

**B166 : SECTION 71 : MONTHLY BUDGET STATEMENT : NATIONAL REPORTING STANDARD : MONTH TWELVE : 30 JUNE 2013 : (BTO 6/1/1 - 2013/2014)**

**REVOLVED**

- (a) That the twelve month's operational results for the period up to 30 June 2013 be noted;
- (b) that the Strategic Executive Directors at all times remain within the financial guidelines of the Municipal Finance Management Act;
- (c) that the Strategic Executive Directors commit themselves to maintaining a credible budget target for revenue and expenditure;
- (d) that the Strategic Executive Directors acknowledge the significance of the 2012/2013 approved capital budget as a service delivery barometer;
- (e) that the Director : IT compile a report in respect of cost centre 010 104 010 330 (councillors remuneration - telephones) and submit such report at the next scheduled Executive Committee meeting;
- (f) that a report detailing capital expenditure, inclusive of VAT be tabled at the next scheduled Executive Committee meeting;
- (g) that it be noted, with appreciation that the capital budget expenditure for the financial year 2012/2013 was 82.1%, thereby indicating a high level of service delivery to the community.

**SED:BTO**  
**A.F. Rehman**



**B167 : RULES FOR THE MANAGEMENT AND ADMINISTRATION OF THE NATAL JOINT MUNICIPAL PENSION FUNDS (SUPERANNUATION), (RETIREMENT) AND (PROVIDENT) : ELECTION OF REPRESENTATIVES TO THE GENERAL COMMITTEE : (CS(A) 5/4/4/1/1 : CS(A) 5/4/4/1/2 : CS(A) 5/4/4/1/5)**

**RESOLVED**

That the status quo pertaining to the appointment of councillors to the general committee of the NJMPF and as resolved by the Executive Committee at a meeting held on 18 October 2011 at B131 be maintained.

**SED:CS(A)**

**B168 : INTERNSHIP POLICY : (CS(HR 6/5/B))**

**RESOLVED**

- (a) That section 5 of the internship policy be amended to reflect an internship period of 24 months;
- (b) that section 6 of the internship policy be amended to reflect a stipend of R5 000 per month;
- (c) the department be responsible for payment of the stipend as referred to in (b) above.

**SED:CS(HR)  
B.S. Ntombela**

**B169 : OFFICE OF THE PREMIER : REQUEST FOR AN OFFICE : REV. S.P.G. MAYO : (CS(A) 7/1/1/1)**

**RESOLVED**

That in light of the fact that the office space is at a premium due to the construction of the Civic Centre, the request for office accommodation for Rev. S.P.G. Moyo be referred to Amajuba District Municipality.

**SED:CS(A)  
B.S. Ntombela**

**B170 : NEWCASTLE CIVIC CENTRE : PUBLIC PARKING : (CS(A) 16/3/1)**

**RESOLVED**

- (a) That provision be made for the installation of boom gates at the public parking of the tower block currently being constructed at the Civic Centre;
- (b) that the tariff for public parking be paid from the 2<sup>nd</sup> hour and provision be made for visitors attending meetings.

**SED:CS(A)  
B.S. Ntombela**

**CONCLUSION OF MEETING**

There being no further business to discuss, the meeting concluded at 13:45.

**CONFIRMED**

DATE

CHAIRPERSON