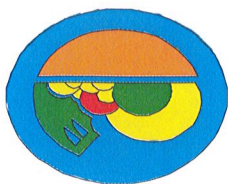




**GREATER TZANEEN MUNICIPALITY
GROTER TZANEEN MUNISIPALITEIT
MASIPALA WA TZANEEN
MASEPALA WA TZANEEN**



Tropical Paradise

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**MINUTES OF THE 3RD SPECIAL COUNCIL MEETING FOR 2024/2025
FINANCIAL YEAR OF THE GREATER TZANEEN MUNICIPALITY HELD AT OLD
FIRE HALL, ON TUESDAY, THE 27TH OF AUGUST 2024 AT 12H00.**

PRESENT

The Speaker

COUNCILLORS

As per attached attendance register (Annexure "X")

OFFICIALS

**The Municipal Manager
The Director PED
The Acting Director Electrical Engineering
The Director Engineering Services
The Director Community Services
The Chief Financial Officer
The Acting Director Corporate & Manager Council Support
The Manager Legal
The Safety and Security Officer
The Committee Clerk
The Committee Clerk
The MPAC Secretary
The Assistant Communication Officer
The Assistant Communication Officer
The Assistant Communication Officer
The Communication Student
The Speaker's secretary
The Mayor's PA**

**Mr D Mhangwana
Mr BM Mathebula
Mr MB Senywayo
Mrs HO Tshisevhe
Ms C Ntimbani
Mr. CM Maeta
Ms. MW Baloyi
Mr. J Ramafala
Mr MK Makhubele
Mrs FS Makhubele
Ms. MT Malemela
Ms K Modjadji
Ms. V Makhubele
Ms. P Muchavi
Mr. T Manyama
Ms T Ramatseba
Ms. PM Malatsi
Ms. CM Gaisa
Ms. B Kgatla**

TRADITIONAL AUTHORITIES

The Maake Traditional Authority Representative	None
The Muhlava Traditional Authority Representative	Mr NW Mushwana
The Bathlabine Traditional Authority Representative	Mr. MF Phalane
The Mmamabolo Traditional Authority Representative	Mr RA Sehlapelo
The Modjadji Roya Council Representative	Mrs SM Modjadji
The Valoyi Traditional Authority Representative	Mr VR Mhlongo
The Nyavana Traditional Authority Representative	Mr. P Mabunda
The Sebela Traditional Authority Representative	Mr. MC Sebela

1. OPENING AND WELCOME

Councillor A Moss opened the meeting with prayer and the Speaker, Councillor MS Tiba welcomed everyone present in the meeting.

2. APPLICATIONS FOR LEAVE OF ABSENCE AND THE SIGNING OF THE ATTENDANCE REGISTER

The applications for leave of absence were received from the following:

- The Mayor, Councillor GP Molapisaane
- Councillor J Mokoena
- Councillor R Mabuza
- Councillor S Malatji
- Councillor E Ntimbane
- Councillor DG Mkhabela
- Councillor M Mayimele
- Councillor ME Mawasha
- Councillor M Shokane
- Councillor S Matiane
- The Director Electrical Engineering, Mr F Mthetwa
- The Bakgaga Tribal Authority Representatives, Mr. M Maake

RESOLVED

That the applications for leave of absence received be granted as follows:

- The Mayor, Councillor GP Molapisaane
- Councillor J Mokoena
- Councillor R Mabuza
- Councillor S Malatji
- Councillor E Ntimbane
- Councillor DG Mkhabela
- Councillor M Mayimele
- Councillor ME Mawasha
- Councillor M Shokane
- Councillor S Matiane
- The Director Electrical Engineering, Mr F Mthetwa
- The Bakgaga Tribal Authority Representatives, Mr. M Maake

3. PRESENTATION (IF ANY)

None.

4. OFFICIAL NOTICES

- (i) The Municipal Manager, Mr. D Mhangwana informed Council that the Auditors have started with auditing from 14 August 2024 until end of November 2024. He further indicated that the Annual Performance Report and Annual Financial Statement will be submitted to Treasury, COGHTA and AGSA by Saturday 31 August 2024.

5. GIFTS AND FAVORS

None.

6. STATEMENTS AND COMMUNICATIONS BY THE SPEAKER

- 6.1 The Speaker, Councillor MS Tiba highlighted that every year, during the month of August, South Africa celebrates Women's Month, to pay tribute to more than 20 000 women who marched to the Union Buildings on 9 August 1956, in protest to present a petition against the carrying of passes by women to the then Prime Minister, J.G. Strijdom.

- 6.2 The Speaker, Councillor MS Tiba indicated that the EFF made the reallocation of members to the portfolio committees as follows:

- Councillor Clement Ramathoka will serve in Finance Committee and Governance Committee.
- Councillor Patrick Ncube will serve in Infrastructure Committee and Ethics Committee

7. QUESTIONS OF WHICH NOTICE HAS BEEN GIVEN

None.

8. MOTIONS OR PROPOSALS DEFERRED FROM THE PREVIOUS MEETINGS

None.

9. PROPOSALS OF CONDOLENCES OR CONGRATULATIONS BY THE CHAIRPERSON

None.

10. PROPOSALS OF CONDOLENCES OR CONGRATULATIONS BY OTHER MEMBERS

10.1 The Whip, Councillor G Malatji expressed his condolences to the Lekganyane family for the passing of the father of MEC Soviet Lekganyane who was buried last weekend.

A moment of silence was observed by all present.

11. OUTSTANDING MATTERS.

None.

12. PETITIONS

None.

13. MOTIONS

None.

14. REPORT FROM AUDIT COMMITTEE

None.

15. REPORT FROM GTEDA

(ITEM A23 was approved by Council)

16. REPORT FROM MPAC

(ITEM A15 was approved by Council)

17. REPORT FROM RULES AND ETHICS COMMITTEE

None.

18. INPUTS BY THE TRADITIONAL LEADER

None.

19. REPORT FROM PORTFOLIO COMMITTEES
20. REPORTS IN COMMITTEES
(ITEM A14 was approved by Council)
21. URGENT REPORT - ALLOWED ONLY WITH THE CONSENSUS OF THE CHAIRPERSON
22. RECOMMENDATIONS OF THE EXECUTIVE COMMITTEE MEETINGS FOR THE PERIOD AUGUST 2024.

None.

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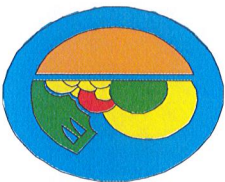
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**A14 REQUEST TO APPLY FOR WAIVER OF THE REMUNERATION OF THE SENIOR
 MANAGEMENT
 (E/C 2024 08 23; C 2024 08 27)
 (PERSONNEL)**

RESOLVED

- a) That Council notes the report of the Municipal Manager on the request to waive the remuneration of the Senior Managers including that of Accounting Officer to maximum point.
- b) That Council approves the process to apply to waive the remuneration of the (Municipal Manager: Mr. Mhangwana D) (Director Engineering Services: Mrs. O.H Tshisevhe) (Director Community Services: Ms. Ntimbani C) and (Corporate Services Director: vacant) of Greater Tzaneen Municipality.
- c) That Council approves the waiver application that the remuneration be on maximum point.
- d) That Council notes that (Municipal Manager: Mr. D Mhangwana) (Director Engineering Services: Mrs. O.H Tshisevhe) (Director Community Services: Ms. Ntimbani C), (Director Electrical Engineering Services): Mr Mithetwa F and (Corporate Services Director: vacant) possesses prescribed qualifications as required by the Local Government Regulations of Appointment and Conditions of Employment of Senior Managers and competencies.

Signed by the Speaker

Councillor MS Tiba

**2022/2023 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL
EXPENDITURE INVESTIGATION REPORT OF MUNICIPAL PUBLIC ACCOUNTS
COMMITTEE OF GREATER TZANEEN MUNICIPALITY.
(C 2024 08 27)
(12/23/1/1)**



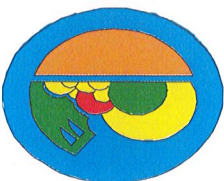
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Fruitless Expenditure

1. RESOLVED

- a) That the fruitless expenditure to the amount of R1 063 155. 67, related to Eskom Interest on late payment be written off by Council.
- b) That the fruitless expenditure related to Telkom, interest on the late payment of R372.34, be recovered by Council from the responsible official.
- c) That the expenditure of R4 646 120.77, related to the legal fees on the matter between GTM vs Ponny Hlokwwe (Machaba Incorporated), be referred to the Financial Misconduct Disciplinary Board for further investigation.
- d) That the fruitless expenditure of R310 626.00, related to GTM vs Maria Malatji (Magabe Attorneys) be referred to the Financial Misconduct Disciplinary Board for further investigation.
- e) That the fruitless expenditure of R 2 198 257.74, related to GTM vs Maria Malatji (Machete Attorneys) be referred to the Financial Misconduct Disciplinary Board for further investigation.

- f) That the fruitless expenditure of R 2 056 265.62, related to Bernardo Tongue (Machete Attorneys), be referred to the Financial Misconduct Disciplinary Board for further investigation.
- g) That Fruitless expenditure of R358 085.00, related Bernardo Tongue), (Magabe Attorneys) be referred to the Financial Misconduct Disciplinary Board for further investigation.
- h) That Council note that the fruitless expenditure incurred of R1 723 021.00 related to Talane & Associate Attorneys was identified as the material irregularity (MI) therefore, it is recommended that Council awaits the AGSA to verify the corrective actions undertaken by management to address the material irregularity (MI).
- i) That the fruitless expenditure of R973 296.75 relating to the Project Delays (Paving of Maseanoke to Phare), was previously referred to the Financial Misconduct Board for further investigation, (*Council resolution no A12, 27/07/2023*), awaiting the outcome of the investigation by the board.
- Irregular Expenditure**
- a) That the expenditure related to Contour Technologies of R592 286.91 be written off by council
- b) That the expenditure of R673 741.53, related to CoCre8 IT Services/ Fujitsu be referred to the financial misconduct board.
- c) That the expenditure of R897 000.00, related to Mod Hope Properties be written off by Council.
- d) That the Irregular expenditures of R2 472 740.15, related to Risima Project Management for advertising of a bid for minimum number of days and preference point system not used to allocate work to suppliers be written off by Council.

- e) That the Irregular expenditure of R2 868 374.10, related to Omphile Electrical be written- off by Council.
- f) That the Irregular expenditure of R472 602.61, related to Aspire Safety Consulting be written- off by Council.
- g) That the Irregular expenditure of R1 572 997.55, related to OTS Electrical be written- off by Council.
- h) That the Irregular expenditure of R594 647. 79, related to Nlletelo & Ritswalo Project be written- off by Council.
- i) That the Irregular expenditure of R385 234.02, related to Ringani Hosana Security be written- off by Council.
- j) That the Irregular expenditure of R4 214 454.55, related to Theuwedi Trading Enterprise be written- off by Council.
- k) That the Irregular expenditure of R1 766 263.11, related to MASH P be written- off by Council.
- l) That the Irregular expenditure of R1 669 091.38, related to LEBA Group be written- off by Council.
- m) That the Irregular expenditure of R425 120.33, related to Mapheho Business Services be written- off by Council.
- n) That the Irregular expenditure of R424 354.27, related to Mosekgo Civil Construction be written- off by Council.
- o) That the Irregular expenditure of R466 146.19, related to Errol Construction and Projects be written- off by Council.
- p) That the Irregular expenditure of R1 950 699.86, related to RM Mashaba Projects be written- off by Council as the service was rendered and received.

- g) That the irregular expenditure of R98 900.00, related to Ntivotombango Consulting be written-off by Council.
- r) That the irregular expenditure of R216 102.83, related to Madumelani Construction be written-off by Council.
- s) That the irregular expenditure of R818 181.69, related to Machawana Trading Enterprise be written-off by Council.
- t) That the irregular expenditure of R1 918 921.84, related to Kedibone Construction be written-off by Council.
- u) That the irregular expenditure of R621 421.66, related to Semodi Trading be written-off by Council.
- v) That the irregular expenditure of R410 544.23, related to REI Plant Hire be written-off by Council.
- w) That the irregular expenditure of R818 161. 51, related to Lefamafa Electrical be written-off by Council.
- x) That the expenditure of R835 717.00, related to Blyde Canyon Resort be referred to the Financial Misconduct Board for further investigation, as the procurement of the venue was not an emergency
- y) That the expenditure of R3 918 834. 43, related to Karibu Leisure Resort be referred to the Financial Misconduct Board for further investigation, as the procurement of the venue was not an emergency.
- z) That the expenditure of R3 531 716.40, related to Anaka Group be written off by Council.
- aa) That the expenditure of R6 492 776.70, related to Molebogeng Trading Enterprise be written off by Council.

- bb) That the irregular expenditure related to George B Security has been referred to the financial misconduct board previously, still waiting for the board outcome/recommendations.
- cc) That the irregular expenditure, related to Eternity star investment (ESI) Paving of Maseanoka to Cell C Phare, including its sessions has been referred to the Financial Misconduct Disciplinary Board previous financial year, awaiting the board outcome/recommendation.
- dd) That the irregular expenditure of R800 000.00, related to Marble Gold be written off by Council.
- ee) That the expenditure of R4 701 672.44, related to Rikatec referred to the Financial Misconduct Board for further investigation.
- ff) That the expenditure of R3 321 764.88, related to Bolombe 82 Trading and Projects be written off by Council.
- gg) That the irregular expenditure of R2 434 983.02, related to Makasana Construction Cc be written off by Council.
- hh) That the expenditure of R4 091 750.27, related to Gumela General Projects Cc be written off by Council.
- ii) That the expenditure of R 683 032,55, related to NTT Motors Investments be written off by Council.
- jj) That the expenditure of R2 067 537,48, related to PICABIZ367 CC be written off by Council.
- kk) That the expenditure of R 198 100,00, related to PG Industries be referred to the Financial Misconduct Board for further investigations.
- ll) That all the irregular expenditures with the non-compliance of the Municipal Supply Chain Management Regulations 22, of not advertising the bid for the required

number of days and preference point system not used to allocate work to suppliers on all the irregular expenditures be referred to the Financial Misconduct Board for further investigation.

mm) That all the expenditure which has been referred to the Financial Misconduct Board, during the previous financial years, be finalized.

nn) That the Financial Misconduct Board to report back to Council on the outcome of the investigation by the end of January 2025.

oo) That the Accounting Officer must ensure that the Financial Misconduct Board report to Council quarterly.

pp) That the SCM policy, Regulations and processes should be properly implemented by the municipality.

qq) That the deviations approved should meet all requirements of SCM regulations, poor planning should not be used as an excuse for deviation during procurement process.

rr) That Council must establish Contract Management Unit,

ss) That the Accounting Officer must conduct assessment of legal cases reported and check prospects of the cases internally before issuing instructions to the lawyers assisting the municipality with legal cases.

tt) That continuous risk assessment be conducted on the implementation of projects.

Unauthorized Expenditure.

a) That the Unauthorized expenditure of R19 894 903.00 for the financial year 2022/2023 be written-off.

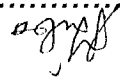
b) That the Accounting officer ensure that measures are put in place to eradicate the unwanted expenditures.

2. CONCLUSION

In terms of Section 32(2) (b) of the MFMA the irregular expenditure may only be written off by Council, if after an investigation by Council committee, the irregular expenditure is certified as irrecoverable. In term of Section 170 of the MFMA only National Treasury may condone non-compliance with a regulation issued in terms of the MFMA or a condition imposed by the Act itself. The municipal Council, therefore, has no power in terms of the MFMA to condone any act of non-compliance in terms of the MFMA or any of its regulations. The treatment of expenditure associated with non-compliance is therefore the responsibility of the Council.

The municipality can avoid unauthorised, irregular or fruitless and wasteful expenditure if due processes and procedures are being followed. The development of the policies such as unauthorised, irregular, fruitless and wasteful policy will be of the utmost importance. Those charged with responsibilities should adhere to the policies, procedures and processes. That proper procedures and processes be conducted for any elements of financial misconduct within the municipality and consequence management be implemented.

Signed by the Speaker



Councillor MS Tiba

RESOLVED

- a) That Council takes cognizance of the Policy report and its contents from the acting Corporate Services Director on the Policies review.
- b) That it be noted that organised Labour, councillors, traditional leaders, and management were given an opportunity to comment and make inputs on the policies during workshop and prior.
- c) That Council note that the reviewed Danger Allowance Policy will be implemented after the Risk Assessment report is finalised.
- d) That the following employees' policies be approved for implementation from 1st of September 2024 after identifying the savings within the municipal budget.

1. Bereavement policy.
2. Bursary Policy
3. Temporary employment of students
4. Skill development policy
5. Regulations and Remuneration of Overtime Policy
6. Personnel Provisioning Policy
7. Employment Equity Policy
8. Smoking Policy
9. Employee Wellness Policy
10. Occupational health and safety policy.
11. Sexual Harassment Policy
12. Danger Allowance Policy
13. Leave policy.
14. Employee Retention Policy
15. Promotions, transfer, and secondment Policy.
16. Cell Phone Allowance Policy
17. Succession Policy
18. Staff Establishment Policy
19. HR Strategy
20. Event Management Policy
21. Social Media Policy
22. Communication Policy

Signed by the Speaker
Maba
 Counsellor MS Tiba.....

A17 ASSETS WRITE OFF: BROKEN, REDUNDANT, STOLEN AND REPLACED ASSETS
(EC 2024 08 23, C 2024 08 27)
(5/2/2)

RESOLVED

1. That the Council approve the write-off of the listed broken, stolen, replaced and redundant assets as per Appendix A.
2. Authorize the necessary adjustments to the financial records to reflect the write-off.
3. Permit the Accounting Officer to take further actions required for the disposal of the assets.

Signed by the Speaker
Councillor MS Tiba.....

A18 REPORT ON UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL
EXPENDITURE FOR THE YEAR 2023/2024

(E/C 2024 08 23; C 2024 08 27)

(5/1/3)

RESOLVED

a) That Council takes note of the Unauthorized Expenditure for 2023/2024 Financial Year. Unauthorized Expenditure amounted to **(R0)**

b) That Council takes note of the identified Fruitless and Wasteful Expenditure for 2023/2024 Financial Year. Fruitless and Wasteful Expenditure at year end amounted to R0, attached as "Annexure A".

c) That Council takes note of the identified Irregular Expenditure (July 2023 - June 2024), 2023/2024 financial year. Irregular Expenditure amounted to **R98'781'034.48** attached as "Annexure B".

d) That Council takes note that most of the irregular expenditures relates long term contracts that were identified by the Auditor General during the audit of 2021/22 and 2022/23 financial years.

e) That Council refer the items under Unauthorized, Irregular and Fruitless and Wasteful Expenditure for 2023/2024, to MPAC for oversight and investigation in terms of section 32 of the MFMA.

Signed by the Speaker
Councillor MS Tiba

A19 REPORT ON STOCK TAKING

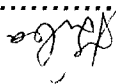
(E/C 2024 08 23; C 2024 08 27)

(5/17/3/1)

RESOLVED

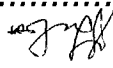
- A) That the surplus as per Annexure A with a value of R52 207.51 be taken into stock.
- B) The shortages as per Annexure B with a value R298 279.23 be written off to adjust inventory records.
- C) That Council note the shortages of R279 476.70 as a result of burglary.

Signed by the Speaker
Councillor MS Tiba.....



RESOLVED

- (a) That the Council note the deviations and variations orders processed in 2023/24 financial year as per **Annexure A and Annexure B.**
- (b) The deviations and variation orders will be disclosed in the financial records of the municipality in 2023/24 reporting cycle.
- (c) That the deviations and variations orders be sent to the oversights committee for investigation.

Signed by the Speaker

Councillor MS Tiba

A21 REPORT ON THE REVIEWED INDIGENT AND SUPPLY CHAIN MANAGEMENT
POLICIES

(EC 2024 06 23, C 2024 08 27)

(5/1/1)

RESOLVED

1. That the Council approves the reviewed Indigent Management and Supply Chain Management Policies attached on Annexure A.

Signed by the Speaker
Councillor MS Tiba.....

A22 REQUEST FOR APPROVAL FOR PARTNERSHIP BETWEEN GTM AND LEDET

(E/C 2024 08 23; C 2024 08 27)

(15/11/4/5 R)

RESOLVED

- A. That Council approves the request to enter into partnership between GTM and LEDET regarding the management and operation of the Tzaneen Dam.

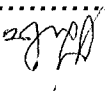
- B. That Council authorizes the accounting officer to sign the partnership agreement, and any other documents related to the partnership agreement between GTM and LEDET

Note: The DA, Councillor C Breidenkamp rejected the report due to no amount specified.

Signed by the Speaker
Councillor MS Tiba.....

RESOLVED

- (a) That Council adopts the IDP/Budget/PMS Process Plan for **2024/25** cycle as attached on annexure A;
- (b) That Council notes that as per requirement by law, our Process Plan is informed by the District IDP Framework as attached on annexure B.
- (c) That Council and its administration commit itself to comply and adhere to the process plan as adopted.
- (d) That it be noted that the activities in the Process Plan were implemented until August 2024.
- (e) That it be noted that the remaining activities in the Process Plan will be implemented as outlined.

Signed by the Speaker

.....
Councillor MS Tiba

(E/C 2024 08 23; C 2024 08 27)

(17/7/R)

RESOLVED

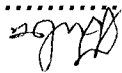
1. That Council approves the hosting of the Greater Tzaneen Municipality Mayor's Cup 2024 on the 7th of December 2024.

Signed by the Speaker
Councillor MS Tiba

RESOLVED

- a) That Council approves the 4th Quarter SDBIP report for 2023/24.
- b) That the 4th Quarter SDBIP report for 2023/24 be submitted to MPAC.
- c) That the 4th Quarter SDBIP report for 2023/24 be submitted to CoGHSTA.
- d) That the 4th Quarter SDBIP report for 2023/24 be uploaded onto the GTM website.

Signed by the Speaker
Councillor MS Tiba



B10 (2023/24 4TH QUARTER BACK TO BASICS REPORT)

(E/C 2024 08 23, C 2024 08 27)

(8/1/2)

RESOLVED

- a) That Council note the 4th Quarter Back to Basics Report for 2023/24.
- b) That B2B 4th Quarter reports be submitted to CoGHSTA.

Signed by the Speaker
Councillor MS Tiba

B 11 REPORT ON ACCESS TO SABS STANDARDS FOR THE MUNICIPALITY

(E/C 2024 08 23; C 2024 08 27)

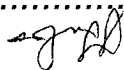
(16/1/R)

RESOLVED

1. That Council approves the procurement of SABS standards for all relevant municipal departments.
2. That training programs are developed to ensure that staff are fully aware of and can effectively implement these standards.
3. That regular reviews are conducted to assess the impact of these standards on service delivery and make necessary adjustments.

NOTE: That Management should take into consideration that SABS standards are applied to all other services rendered in the municipality.

Signed by the Speaker



Councillor MS Tiba

B12 GREATER TZANEEN MUNICIPALITY EXCELLENCE AWARDS 2025

(E/C 2024 08 23; C 2024 08 27)

(17/7/R)

RESOLVED

2. That Council approves the hosting of the Greater Tzaneen Municipality Excellence Awards at Tivumbeni EMPC on the 31 January 2025.

Signed by the Speaker

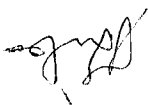


Councillor MS Tiba

23. CLOSURE.

THE MEETING ADJOURNED AT 14H50.

APPROVED AND CONFIRMED



CHAIRPERSON