

MC13 of 2019

PROGRESS ON THE FIRST DRAFT REVIEWED INTEGRATED DEVELOPMENT PLAN FOR THE FINANCIAL YEAR 2019/2020 (ED: SSS) (9/3/1)

PURPOSE

To present to the Mayoral Committee sitting progress towards the Draft Reviewed Integrated Development Plan (IDP) for the Financial Year 2019/2020 for consideration in terms of Chapter 5 of the Municipal Systems Act

BACKGROUND

In terms of Municipal Systems Act No. 32 of 2000, local municipalities are required to submit their revised Integrated Development Plans every year, no later than the 31st of March, to Council for consideration.

The Draft IDP for 2018/2019 was noted by Council on the 28nd March 2018 as a draft and the following resolutions were taken during the meeting:

COUNCIL RESOLVED: (28 MARCH 2018)

1. That Council **NOTES** progress on the first Draft revised IDP for the Financial Year 2018/2019.
2. That the first draft revised IDP **BE SUBJECTED** to public consultation as per adopted IDP process plan.
3. That the draft IDP **BE WARD-BASED** and **REALISTIC**.
4. That the draft IDP **MUST INCLUDE** inputs from previous and current consultations and both be incorporated to be re-tabled to Council for final approval.
5. That all Municipal Master Plans must **BE INCLUDED** in the IDP/ Budget for the 2018/19 financial year, before it is adopted.

The draft IDP was ultimately approved by Council for implementation in May 2018. Subsequent to approval and implementation of planned projects for the first six months of the 2018/2019 financial year, and as per the requirements of the law, Council received both financial and non-financial reports as per section 72 of the Municipal Finance Management Act of 2003 indicating achievements and challenges in terms of implementation of the planned projects in the IDP due to financial constraints.

An adjustment budget was then submitted to a special council held on the 28th February 2019 with the following resolutions:

COUNCIL RESOLVED: (28 FEBRUARY 2019)

1. That the Annual Budget 2018/19 **MUST NOT** be adjusted but should remain as it is.
2. That Council **APPROVES** the virements adjustments.
3. That the Municipal Manager and the CFO **MUST PERUSE** the budget, verify how much is available in votes which have savings, in order to use that money for the purchase of yellow fleet and thereafter submit that report to the next Ordinary Council.

***** Attached as SEPARATE COVER 1 is the 2019/ 2020 draft reviewed IDP (to be distributed at a later stage)**

LEGAL IMPLICATIONS

Municipal Systems Act No. 32 of 2000- Chapter 5(s34) clearly indicates that a Municipal Council-

- (a) *Must review its integrated development plan-*
 - (i) *Annually in accordance with an assessment of its performance measurements in terms of section 41; and*
 - (ii) *To the extent that changing circumstances so demand; and*
- (b) *May amend its integrated development plan in accordance with a prescribed process.*

FINANCIAL IMPLICATIONS

The draft revised IDP for 2019/2020 is draft in-house.

RECOMMENDATIONS

1. That the Mayoral Committee considers progress on the first draft revised IDP for the Financial Year 2019/2020.
2. That the first draft revised IDP for the Financial Year 2019/2020 be submitted to Council for consideration;
3. That a public participation process be undertaken before the draft IDP is approved by Council.

MC14 of 2019

THE 2019-2020 MTREF BUDGET FOR THE MATJHABENG MUNICIPALITY (CFO)
(6/1/1)

PURPOSE

To table the Annual Budget for the 2019/2020 medium term revenue and expenditure framework (MTREF) financial year.

BACKGROUND

The Matjhabeng Local Municipality Annual Budget for the 2019/20 MTREF is compiled in accordance with the prescripts of the Municipal Finance Management Act 56 of 2003, Municipal Budget and Reporting Regulations and National Treasury's MFMA Circulars.

Section 16 (2) of the Municipal Finance Management Act states that the Municipal Council must at least 90 days before the start of the budget year consider approval of the annual budget to be able to adhere to subsection 1 of section 16, which stipulates "The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. Section 24(1) of the same act further stipulates that a municipal council must at least 30 days before the start of the new financial year, consider approval of the annual budget.

DISCUSSIONS

The Matjhabeng Municipality's Annual Budget includes an Operational Budget that provides for the annual expenditure and revenue estimates for 2019/20 MTREF, as well as a Capital Budget that provides for the on-going investment in infrastructure necessary to provide services to the community.

The consolidated Revenue Budget for the 2019/20 financial year is R 2 821 699 868, inclusive of operating and capital transfers and R 2 651 084 868 excluding capital transfers and contributions. The Expenditure Budget for the 2019/20 MTREF is R 3 216 848 138.

*** The Annual Budget for 2019/2020 MTREF financial year **is attached as SEPARATE COVER 2.**

The Annual Budget for the 2019/20 MTREF is based on the following assumptions:

Budget Assumptions: -

- CPIX of approximately 5.6% (*Source: Reserve Bank and National Treasury*)
- Increase in Sedibeng Water tariffs by 8%
- Eskom Tariff increase of 9.41%. (*The Nersa approved tariff for municipalities is still outstanding*).
- Salary increases of approximately 7.1% (*Collective Agreement: CPIX + 1.5%*)

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- National Treasury MFMA Budget Circular No. 93 (*Guideline from NT*)
- The average pay rate of **60%** has been informed by the following factors: -
- Historic collection trends.

Proposed Tariff increases for 2019/20 MTREF

- The water tariff is increasing with 5.6% as a result of the unit price of water and the present difficult economic situation. The bulk service provider, Sedibeng Water is increasing its tariffs with 8% for the 2019/20 financial year.
- The overall electricity tariff is increasing with 5.6% and Eskom, the bulk electricity supplier is increasing with 9.41%.
- The refuse tariff is increasing with 5.6%, this increase will assist with the repair and maintenance of the municipality's infrastructure.
- The sewerage tariff is increasing with 5.6%.
- Tariff for other revenue to increase with 5.6%

*** The Tariff list for 2019/2020 MTREF financial year is **attached as SEPARATE COVER 3.**

A - Revenue

Property Rates

Property Rates increases to R310 519 477 in the 2019/20 financial year and represents 11% of the revenue budget. The property rates tariffs will increase with 5.6% in the 2019/20 financial year, this increase is guided by MFMA Circular 93 and is in line with the CPIX. The collection rate on property rates is set at 60%.

Service charges

The service charges for the 2019/20 budget is R1 350 353 535, 49% of the revenue is from service charges. Service charges consist of revenue derived from electricity, water, sanitation and refuse. Electricity revenue increases with an overall average of 5.6% which is in line with the CPIX, cognizances should be taken of the fact that the NERSA guideline has not been issued yet. The budgeted amount for electricity is R711 190 717. Water revenue increases to R 381 490 031 in the 2019/20 financial year, this increase results in an average increase of 5.6%. Sanitation and Refuse service charges increase with 5.6%, this increase is in line with the CPIX as prescribed in MFMA Circular 93. The budgeted amount for Sanitation services is R 164 290 628 and R 93 382 159 for Refuse.

Operational Transfers and Grant receipts

Transfers recognized as operational receipts is the second largest revenue source totaling which is 18% of the revenue and amount to R508 333 000 for the 2019/20 financial year as per the draft Division of Revenue (DoRA) Bill 2019. The Equitable share allocation is a grant which supplement the municipality's own revenue for the provision of the necessary basic level of services to each poor household within their jurisdiction.

Other Revenue Sources

Other revenue sources consist of rental of facilities and equipment, interest earned, fines, gains on disposal of assets and other revenue.

- Gains on disposal of PPE
The municipality intends to dispose of assets during the 2019/20 financial year and has already started with the process. The projected revenue from the disposal of assets is R52 800 000. This projected revenue will be utilized as a source of funding for capital projects.
- Other Revenue
The budgeted amount for other revenue is R237 293 949.

B – Expenditure

Employee Related Cost & Councillor Remuneration

The salary figure is 25%, R791 582 177 of the total expenditure. However not all vacancies have been filled. This has an adverse impact on service delivery. Councillor Remuneration represents 8%, R26 087 961 of the total expenditure budget. Provision is made for a 7,1% increase in salaries as informed by the Collective Agreement.

Bulk Service

Supply of bulk services making up 31%, R1 001 136 570 of total expenditure budget. The total budget for electricity and water is R483 845 215 and R517 291 355. Eskom is increasing it electricity with 9.41% and Sedibeng is increasing with 8%.

Other Materials

Other Materials which relates to inventory used for repaired and maintenance is R133 183 576, this is 4% of the total expenditure budget.

Contracted Services

Contracted services consist out of outsourced services, consultants and professions; and contractors. The line item for contractors represents the repair and maintenance. The total budget for contracted services is R 211 988 881 which is 7% of total expenditure budget.

Other Expenditure

Other General Expenditure relate to operational costs and are therefore inevitable. This makes up 4.3%, R 139 215 860 of total expenditure.

Depreciation and Debt Impairment

The total amount budgeted for debt impairment and depreciation amounts to R711 291 882 which is 24% of the total expenditure budget. These items represent non-cash items however they have formed the biggest portion of the unauthorized expenditure in prior financial year. To ensure a decrease in the unauthorized expenditure it is imperative that we have a realistic budget for the non-cash items.

The Municipality therefore has a great challenge of providing basic services to its population with limited resources.

Capital Budget

The Capital Budget for the 2019/20 financial year is R 170 615 000 and is entirely funded by grants. The sources of funds for the capital budget are as follow:

Municipal Infrastructure Grant	R 119 070 000
Water Services Infrastructure Grant	R 36 000 000
Integrated National Electrification Programme	R 15 545 000

The importance of tabling funded budgets is highlighted in previous circulars however there are cases that may warrant a plan a this is not achievable over one year. As a result, the municipality must, together with their 2019/20 MTREF budget, table a plan in council to show they will move from an unfunded position to a funded position.

Budget Funding Plan

The importance of tabling funded budgets is highlighted in previous circulars however there are cases that may warrant a plan a this is not achievable over one year. As a result, the municipality must, together with their 2019/20 MTREF budget, table a plan in council to show they will move from an unfunded position to a funded position.

Implementation of the Revenue Enhancement Strategy by increasing the revenue base of the municipality.

Revenue Enhancement Committee (REC)

Installation of new meters in unmetered areas and replacement of faulty meters.

Implementation and installation of Automated meter reading (AMR) meters.

Review of municipal by-laws

Review of budget related policis

Implementation of the Supplementary Valuation Roll

Bulk Service management

Expenditure Management

Budget Related Policies attached as SEPARATE COVER 4.

Supply Chain Management Policy

Municipal Property Rates Policy

Credit Control Policy

Indigent Policy

Petty Cash Policy

Subsistence and Travelling Policy

Tariff Policy

Unallocated Deposits Policy

Budget Policy

Deposits Policy

Liability, Investment and Cash Management policy

Asset Management policy

POLICY POSITION

Municipal Finance Management Act
Municipal Systems Act
Municipal Budget Regulations

RECOMMENDATION

It is therefore recommended:

1. That the Annual Budget 2019/20 MTREF be tabled in Council.

MC15 of 2019

DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN FOR 2019/2020 FINANCIAL YEAR (ED: SSS) (6/1/1)

PURPOSE

The purpose of this item is to submit the draft Service Delivery and Budget Implementation Plan for 2019/20 Financial Year to the Mayoral Committee for consideration.

BACKGROUND

Municipalities are required in terms of the law to develop annual service delivery and budget implementations. The Municipality has submitted a draft SDBIP in the past financial year as the requirement has been lately enforced by application of the Local Government: Municipal Finance Management Act, No.56 of 2003 and the Municipal Systems Act, Act 32 of 2000 and regulations.

We are developing and submitting the document in compliance with pieces of legislation as follows:

Municipal Systems Act, Act 32 of 2000 states as follows:

- (1) “The mayor of a municipality must-
 - (c) take all reasonable steps to ensure-
 - (ii) that the municipality’s service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget;
- (3) The mayor must ensure-
 - (a) That the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the service delivery and budget implementation plan, are made no later than 14 days after the approval of the service delivery and budget implementation”

Municipal Financial Management Act, Act 56 of 2003: Circular 13:

“The SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality and will be possible if the IDP and budget are fully aligned with each other, as required by the MFMA”.

This is the first draft SDBIP for 2019/ 2020 submitted together with the draft IDP and budget to MAYCO and will also be submitted after consideration by MAYCO to Council of the 26th March 2019. Another final draft SDBIP will then be submitted for consideration after public participation process has been finalized.

***** Attached as SEPARATE COVER 5 is the 2019/ 2020 draft SDBIP (to be distributed at a later stage)**

LEGAL IMPLICATIONS

The following pieces of legislations gave legal basis for the development of the plan:

1. Municipal Finance Management Act 2003:

Section 53 of the Municipal Systems Act states:

- (3) “The mayor of a municipality must-
 - (c) take all reasonable steps to ensure-
 - (ii) that the municipality’s service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget;

2. National Treasury: Circular 13: p.1. “The SDBIP gives effect to the Integrated Development Plan (IDP) and budget of the municipality and will be possible if the IDP and budget are fully aligned with each other, as required by the MFMA”.

FINANCIAL IMPLICATION

There is no financial implications inn developing the draft SDBIP for 2019/ 2020.

RECOMMENDATIONS

It is recommended:

1. That the Mayoral Committee considers the draft Service Delivery and Budget Implementation Plan for 2019/2020.
2. That the Draft Service Delivery and Budget Implementation plan for 2019/ 2020 be submitted to Council for noting.
3. That the draft SDBIP for 2019/ 2020 be submitted to Offices of the Provincial and National Treasuries as well as Provincial COGTA.

MC16 of 2019

MONTHLY FINANCE REPORT – JANUARY 2019 (CFO) (6/4/1)

PURPOSE

To submit to the Mayoral Committee the Monthly Finance Report for January 2019 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003.

BACKGROUND

Section 71 of the Municipal Finance Management Act no 56 of 2003 states that the Accounting Officer must submit to the Executive Mayor a statement in a prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- 1) Actual revenue per revenue source
- 2) Actual borrowings
- 3) Actual expenditure per vote
- 4) Actual capital expenditure per vote
- 5) The amount of any allocations received
- 6) Actual expenditure on allocations received

The compilation of the Section 71 report is as follows:

1. After the billing cycle the Income Department compile the income reports which consist of the following and submit to the Budget Department:
 - Billing and Income per month
 - Top Outstanding debtors for the month
 - Income per ward
 - Debtors age analysis per service
2. After month end the ICT Department runs all the month end reports.
3. The Budget Department then extracts the required income and expenditure information from Solar. This is done with the GS 560 procedures. This report shows the transactions for the month VAT EXCLUSIVE.
4. The Expenditure Department provides the Budget Department with the creditor's age analysis and the top 20 outstanding creditors.
5. The Costing Section provides the Budget Department with the employee related reports and the overtime per department.
6. The Section 71 report is then compiled with all the information received from other sections and extracted from the Solar System.

DISCUSSIONS

*** The finance report for January 2019 is attached on page 1 to page 18 of the Annexures.

FINANCIAL IMPLICATIONS

TABLE 1	Actual for the month (January 2019)	For Year to date (2018/2019)
All Grants Received	-	428 383 000
Actual Revenue Received	98 344 822	594 546 628
Actual Expenditure	105 010 424	826 631 123
Salaries	61 012 080	410 775 520
Water	-	6 698 696
Electricity	2 619 868	163 849 335
Other Expenditure	41 378 476	245 307 572
Sub-Total	-6 665 602	196 298 505
Loan Redemptions	-	-
Net Surplus/(Deficit) before Capital payments	-6 665 602	196 298 505
MIG Payments	9 622 001	62 911 588
INEG Payments	-	-
WSIG Payments	5 586 869	10 883 214
Capital Assets procured - Equitable Share	-	-
Fleet & Equipment	-	-
Office convention/ Furniture	-	-
Net Surplus/(Deficit) after Capital payments	-21 874 472	

Table 1: The municipality had a deficit of R-21 874 472 for the month of January after capital payments. This deficit indicates that the expenditure incurred is more than the revenue received for month.

TABLE 2	Actual For the Month (January 2019)	For Year to date (2018/2019)
Total Billings	180 700 393	1 090 202 931
Less: Indigent Billings	3 112 214	15 207 884
Actual Billings	177 588 179	1 074 995 047
Actual Revenue Received	97 001 052	585 597 466
Consumer Revenue	83 366 585	524 639 914
Other	13 634 467	60 957 552
Grants & Subsidies	-	428 383 000
Pay rate for January 2019 (Total Billings)	55%	
Total income percentage - January 2019	55%	
Total income percentage – YTD	55%	

The pay rate for January 2019 was 55%

The total income percentage January 2019 was 55%.

In order for the municipality to be financially sustainable the pay rate will have to be increased to 80% monthly on the consumer services.

LEGAL IMPLICATIONS

The Finance Report is submitted in compliance with Section 71 of the MFMA no 56 of 2003.

RECOMMENDATIONS

1. That the Finance Report for January 2019 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, be noted.
2. That the Finance Report for January 2019 in terms of Section 71 of the Municipal Finance Management Act, number 56 of 2003, be submitted to Provincial and National Treasury.

ESTABLISHMENT OF MUNICIPAL BRANCH COURTS (ED: CS) (1/2/1)**PURPOSE**

To seek approval from Council for the establishment of a Municipal Branch Court in Matjhabeng area of jurisdiction.

BACKGROUND

A Municipal Branch Court is a court whose jurisdiction is limited to a specific Municipality. Municipal courts can preside over only those cases and offenses that have taken place within their sphere of influence. Cases brought before the municipal courts can impose monetary fines by way of punishments. The court determines the fines that are to be paid, if these are not already prescribed by the legislation.

A need for Municipal Branch court has been identified throughout Matjhabeng as drivers simply ignore paying fines and do not even bother to go to court because they know that nothing will happen to them, since their cases are not prioritised and, in many instances, will relieve the burden from the justice system and allow the courts to focus on more urgent matters. It will also contribute to more effective and efficient finalization of road traffic cases.

Our courts are already overburdened with many criminal cases and traffic offenses are not prioritised by the justice system. Courts are inundated with criminal cases such as rape, murder, robberies, zama-zamas, illegal immigrants and ATM bombings. This has placed a tremendous strain on our court resources resulting in dictating the amount of cases per court role.

LEGAL POSITION OF “MUNICIPAL BRANCH COURT”

The principle of a municipal branch court is confirmed under section 112 of the Local Government Municipal Systems Act, Act 32 of 2000. In terms of this section a staff member of a municipality authorised in terms of section 22(8)(b) of the National Prosecuting Authority Act, 1998, to conduct prosecutions, may institute criminal proceedings and conduct the prosecution in respect of a contravention of or failure to comply with a provision of:

- i) A by-law or regulation of the municipality
- ii) Other legislation administered by the municipality, or
- iii) Other legislation as the National Director of Public Prosecutions may determine

The abovementioned position therefore enables Council to establish a municipal court with its own Prosecutors. The functionality of these courts, will however be determined by the extent of the delegation granted by the Director of Public Prosecutors.

The handling of by-laws would form part of a Municipal court. The Council approved a set of 10 (ten) by-laws in the beginning of 2018, and this process which will result in new by-laws for the Matjhabeng area will have a quicker turnaround time if handled by the Municipality's own Municipal Branch court.

The Council is in a position to establish a Municipal Branch Court as a Council employee, Me van der Spuy is already in possession of delegated authority from the Director of National Prosecutions. In terms of section 22 (8) (b) of the National Prosecuting Act a Director Public Prosecutions can issue delegations to persons without them having obtained a formal LLB degree (as in the case of Me van der Spuy).

Although the positions of clerk of the court are primarily occupied by employees of the Justice Department, Me Matsitsa an employee from Council have been appointed by the Department of Justice as such.

There is one Chief Magistrate within the boundaries of the Council with the following Magistrates court namely: Welkom, Odendaalsrus, Virginia and Henneman.

The Department already identified the old Traffic building for the establishment of the municipal court, as the court facilities must consist of a court room, magistrate offices, prosecutors' offices and offices for adjudication and administrative personnel. The court must also be in the vicinity of the Main court as this court will be an extension of it. The Department of Justice must provide magistrates and interpreters for such courts.

It is against this background that the Municipality bench marked with Matlosana Municipality in pursuing interventions that will enable and empower this section with the necessary background and information to raise the bar in terms of carrying out the departmental duties and to better its service delivery to the community.

After the best practise visit to Matlosana Municipality, the Municipality applied for the establishment of a Municipal Branch Court to the Director National Prosecutions.

The application was declined by the Director National Prosecutions based on advice received from the Welkom Magistrate Court. The Municipality then seek assistance from Mogale Municipality hence upon their advice following the route of obtaining a council approval first to attached weight to the application which will serve before the National Prosecution Authority.

POLICY STATEMENT

Constitution of the Republic of South Africa, 108 of 1996
Municipal Systems Act 32 of 2000
National Prosecution Act 32 of 1998
Criminal Procedure Act 51 of 1977

PROBLEM STATEMENT

The staff compliment and logistically quandary
The renovations to the old Traffic building to be expedited

FINANCIAL IMPLICATIONS

The Municipality to provide the following infrastructure for the establishment and the operation of a Municipal Branch Court:

Court room and office furniture
Office for Magistrate and furniture
Office for clerk of the court and office furniture
Public waiting area
Holding cells
Archive facility
Personnel
Stationery and other operational requirements

CONCLUSION

As the Matjhabeng Local Municipal area grows, increasing in size and regional coverage, so the case load increases accordingly. The establishment of a Municipal Branch Court will go a long way in ensuring the speedy finalization of cases and restoring law enforcement confidence to both our officials and the community.

RECOMMENDATIONS

1. That Council approves the establishment of a Municipal Branch Court.
2. That subsequent to approval, the Municipality should apply to the National Prosecution Authority for the same.

MC18 of 2019

DRAFT INTEGRATED PERFORMANCE MANAGEMENT SYSTEM POLICY (ED: CSS) 5/1b)

PURPOSE

The purpose of this report is to effect the resubmission and noting by Council, the Matjhabeng Draft Integrated Performance Management Policy; and to request Council to rescind the Employee Performance Management and Development System Framework approved by Council on 13 December 2016.

INTRODUCTION AND BACKGROUND

At its meeting **COUNCIL RESOLVED (13 DECEMBER 2016)**

1. “That Council ADOPTS the Employee Performance Management and Development System.”

Subsequent to Council resolution above, the adopted Employee Performance Management and Development System was tabled at Labour Forum for consultations and **THE LOCAL LABOUR FORUM RESOLVED (26 January 2017)** “1. That the matter **BE REFERRED BACK** to Management for further interrogation.”

The Matjhabeng Local Municipality must have in terms of legislation, sound performance management policies and practices in place. Although Council, approved the Employee Performance Management and Development System, it now appears that this policy need refinement and proper consultation before it can be resubmitted to Council.

Performance management is legislatively regulated and therefore the Matjhabeng Local Municipality must comply to certain processes in order to avoid any audit qualification. Matjhabeng Local Municipality is also obliged to regular performance reporting and to effect the latter, strict processes and cut-off dates must be adhered to.

To ensure that the performance processes (organisational as well as individual) run smoothly in the Matjhabeng Local Municipality, SALGA, through European Union assisted municipalities, Matjhabeng in particular, to develop the Draft Integrated Performance Management System Policy.

The main part of the Policy deals with organisational performance management matters. Organisational performance management needs to be cascaded to individual level.

The item proposes that the Draft Integrated Performance Management Policy, after being noted by Council, be work-shopped with relevant stakeholders within Matjhabeng Local Municipality.

*** **Attached as SEPARATE COVER 6** is the Draft Employee Performance Management and Development System Policy.

FINANCIAL IMPLICATIONS

The review of the performance management policies does not constitute a financial implication as such.

RELEVANT LEGISLATION APPLICABLE TO THIS POLICY

- a. The Constitution of the Republic of South Africa ;
- b. Municipal Planning and Performance Management Regulations 2006;
- c. Municipal Structures Act, Act No. 117 of 1998;
- d. Municipal Systems Act, Act No.32 of 2000.
- e. Labour Relations Act, Act No. 66 of 1995.

RECOMMENDATIONS

It is recommended:

- 1. That Council rescind the resolution that approved the Employee Performance Management and Development System Framework taken on 13 December 2016.
- 2. That Council notes the Draft Integrated Performance Management Policy appended as Separate Cover 1.
- 3. That after noting the contents of Draft Integrated Performance Management Policy, that Policy be referred back to relevant stake holders within the Matjhabeng Local Municipality for refinement and consultation.

MC19 of 2019

PROGRESS REPORT ON PANEL OF SERVICE PROVIDERS FOR THE TRANSACTIONAL ADVISORY SERVICES TO MATJHABENG LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS (AED: LED, P & HS)

PURPOSE

The purpose of the item is to give a feedback on progress made to date in regard to Appointment of panel of Transactional Advisors for Matjhabeng Municipality.

BACKGROUND

Management consulting is the practice of offering business third party advice, expertise, and support with the aim of enhancing the business's performance resulting in an overall increase in the value of the business for its shareholders and other stakeholders.

The Matjhabeng Local Municipality seeks to need to re-organise business functions and to create and rejuvenate revenue streams and increases the pressure for supply chain to react to business need for management consultants speedily.

The Lejweleputswa District Municipality's vision is "to be a leader in sustainable development and service delivery by 2030". As part of Lejweleputswa District, the Matjhabeng Local Municipality seeks services of a transactional advisor to assist them in the planning, procurement and implementation of large – scale transactions for water, roads and electricity, transactional planning, feasibility analysis, procurement and contract management.

The panel will consist of specialised, highly experienced professionals and service providers with an international footprint, able to provide the local municipality with access to practical experienced consultants. The selected service providers shall consist of these categories:-

- Business management
- Finance consulting
- Supply chain consulting
- Capital project and real estate management
- Information, communication and technology consulting

PROGRESS TO DATE

A briefing session was held on the 2nd November 2018, and the closing date for the submission of documents was the 29th November 2018. Due to 3 weeks strike action, the date was extended to the 14th December 2018 at 12hrs, the bids documents were opened and recorded in the presence of some of the bidders in T.S Du Plessis Hall. The Evaluation and Adjudication processes expected to be concluded by 1st March 2019, the report will be presented in the next meeting.

FINANCIAL IMPLICATIONS

Rejuvenate revenue streams to the Municipality.

RECOMMENDATIONS

1. That the Mayoral Committee takes note of the report.
2. That the process be finalized within a period of three months.

MC20 of 2019

RURAL DEVELOPMENT TRAINING FOR MICRO LENDING SMMEs AND CO-OPERATIVE FINANCIAL INSTITUTIONS (AED: LED, P & HS)

PURPOSE

The purpose of the item is to give a progress report on financial training conducted in October 2018.

BACKGROUND

The SMME Division in partnership with Bankseta conducted the Financial Management training for 3 consecutive days from the 17th to 19th October 2018. The programme is a rural development project which targeted the SMMEs in the banking and microfinance sector. The objective is to make training accessible to microfinance institutions, credit cooperatives, debt counselors and mediators. It is mostly for organizations that deal with credit financing and who operates in outlying and rural areas of South Africa.

People operating stokvels, micro lenders and funeral parlors from all six units were selected to attend this three day training and +- 80 people responded. The training was held in 2 different venues, Ferdi Meyer hall and Thabong Community Centre respectively.

The participants were trained on the following topics amongst others:-

- How to keep records of financial expenses on a weekly basis for a small business and sustain the records,
- Advances accounting
- Understand financial compliance requirements for a small business.

This was an accredited training aimed at supporting transformation and people development through partnerships, to advance the national and global position of the banking and microfinance sector. The participants will receive their certificates at the breakfast ceremony planned for February 2019.

*** Attached on page 19 to page 35 of the Annexures is the documentation and Photos.

LEGAL IMPLICATIONS

- Municipal IDP
- Section 22 and 36 of Constitution
- Business Act
- Free State Growth Strategy
- SALGA Guidelines on Local Economic Development

FINANCIAL IMPLICATIONS

None

SUBMITTED FOR INFORMATION

REPORT TITLE: FORMULATION OF MATJHABENG LED STRATEGY (AED: LED, P & HS)**PURPOSE OF REPORT**

The purpose of the report is to report on the process of the Matjhabeng LED Strategy formulation.

BACKGROUND

Local Economic Development (LED) is a means of systematic identification, development and utilisation of economic opportunity. As the local economy grows, poverty is reduced and the public sector income increases. The context and the direction for the role of municipalities in economic development is provided in the White Paper on Local Government. It states that “Local government is not directly responsible for creating jobs. Rather, it is responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities”. Its role is therefore to create a conducive environment for economic development and growth.

A strategic plan is a document used to communicate with the organisation the organisations goals, the actions needed to achieve those goals and all of the other critical elements developed during the planning exercise. An LED Strategy document needs to be developed in order for the municipality to align itself with long term goals. The purpose of this document is to collate all economic information and investigate the options available to broaden the economic base of the Matjhabeng Local Municipality. The project aims to have a meaningful impact on the local economy thereby addressing the challenges of economic growth, poverty alleviation and job creation.

It is in this light that the Matjhabeng Local Municipality approached the Harmony Mining Company as part of the Social Labour Plan (SLP) to fund the formulation of this document.

PROJECT NAME

Matjhabeng LED Strategy

PROJECT LOCATION

Matjhabeng

BENEFICIARIES AND WHAT THE PROJECT MUST ACHIEVE

- The goal of this document is to assist and support the Matjhabeng Local Municipality to identify LED opportunities and to develop a LED strategy for the Municipality.

- The LED strategy will identify and evaluate the most recent development changes in the local economy. It will also align the document with district, provincial and national initiatives.
- The LED strategy aims to develop feasible implementation plans to thrust the economic development of the municipality forward onto additional paths of economic growth and expansion.
- The LED study forms part of the IDP process.
- The purpose of the LED is to assist the Matjhabeng Local Municipality in creating an enabling environment that allows for economic development to occur within sustainable parameters.

ACTION PLAN AND PROGRESS

- Four potential service providers were invited to make presentations at the Harmony Offices on the 23 November 2018.
- One company Urban-Econ has been identified as a service provider of choice in a meeting held on the 5 December 2018.

LEGAL IMPLICATIONS

The Local Government Transition (amendment act) Act of 1996
National Development Plan (NDP)
National Framework for LED in South Africa

SUBMITTED FOR INFORMATION

PROGRESS REPORT ON FUNDED AGRICULTURAL PROJECTS IN MATJHABENG LOCAL MUNICIPALITY (AED: LED, P & HS)

PURPOSE

The purpose of the report serves to inform the Mayoral Committee about the agricultural projects that had received funding in Matjhabeng Local Municipality.

BACKGROUND

Agriculture in South Africa has a central role to play in contributing to the ailing economy; hence agriculture can contribute significantly to food security. It is against this background that the South African government had established a funding grant for the previously excluded communities in our country. There are various grants, funding, and incentives that have been made available by the government to assist new entrants and existing farmers in developing agriculture. Under the Matjhabeng Local Municipality, four projects received funding from the government which are discussed below:-Mohodung Corner Project.

The Matjhabeng Local Municipality is the owner of Farm Gelukspan 394 RD, Remainder of portion 2 situated in the district of Virginia (Free State Province) measuring 257 hectares. Local Economic Development Directorate has allocated land to Ms. Ntswaki Jeannet Lenyehelo who is one of the emerging farmers. The intention for this initiative was to empower Ms. Ntswaki Jeannet Lenyehelo who is a young woman to produce and cultivate the land in question for her to be able to participate in the mainstream of our economy.

The Department of Agriculture and Rural Development (Free State Province) has identified and approved Mohodung Corner Project for assistance in the financial year 2018/19 under CASP conditional grant to the total of R730 000.00 under the following conditions:

She is expected to enter into a Transfer Payment Agreement with the Department of Agriculture and Rural Development.

1. To sign a Service Level Agreement and utilize the funds received from the Department in accordance with the Project Plan approved by the Department and the scope of the Project.
2. To support the scope of the implementation of the Project with due skill, care and diligence.
3. To act in line with any requirements and specification of the Department.

Furthermore Department of Agriculture and Rural Development convened a meeting on the 1st of November 2018, at Glen IPJ Hall to ensure that all the beneficiaries understood the terms and conditions of the grant(CASP). About a 100 hectares of the farm was cultivated around January 2019 and harvesting is expected between May and June 2019.

Pepper's Primary Co-operative

Department of Rural Development Rural Enterprise and Industrial development Branch has supported the Pepper's Primary Co-operative with the following Items:

- 100 Bosmara breed cows with calves
- 5 Bonsmara Bulls
- 2500 bales of Lucerne
- 65kw tractor
- 2m renovator
- 25kg Lucerne smuts finger grass

Dihoai Cooperative

Dihoai Farming is an agriculture business based in Welkom (Free State) and their primary products includes production of poultry feeds and broilers. Dihoai Farming is currently working with other small scale poultry producers to grow, process and distribute both fresh and frozen chicken in the local market, some retailers and mines.

Dihoai Farming is at the moment more involved with the production and processing of chickens on a small scale, the product is then sold in the local market either as live or frozen chicken. In addition to producing and supplying poultry feeds, they are also involved in assisting other small scale chicken producers in the local area by slaughtering of their live chickens at a reasonable fee.

The Department of Agriculture and Rural Development has supported the Dihoai cooperative with the following items.

1. Building new abattoir which can slaughter 10 000 chickens per day
2. Pelletizer machine
3. Renovation of chicken houses
4. Upgrading of silos

Letlotlo cooperatives

Cooperative that consists of six members. It is a youth project that is situated in Odendaalsrus Letlotlo have lease agreement with the municipality in Kalkyl farm.

The Department of Agriculture and Rural Development has supported the Letlotlo cooperative with the following items establishment of Layer chicken house for 1000 chicken capacity.

POLICY POSITION

None

LEGAL IMPLICATIONS

Lease Agreements entered into between the Municipality and Emerging Farmers

FINANCIAL IMPLICATIONS

None

SUBMITTED FOR INFORMATION

MC23 of 2019

REQUEST TO CONCLUDE A LEASE AGREEMENT ON SITE NO. 5735 RIEBEECKSTAD (AED: LED, P & HS) (8/4/14/1)

PURPOSE

To present before the Mayoral Committee, a request to conclude a lease agreement on site 5735 measuring 1899m² for educational purposes.

BACKGROUND AND DISCUSSION

Koppie alleen Primary school submitted an application to purchase site 5735 Riebeeckstad to utilize it for educational purposes. This is necessitated by the growing number of new learners especially during the beginning of the year.

During the discussion with the school principal, it came out that they would like to be assisted with the site in order to put up temporary containers which they have already secured while the processes of final acquisition are being embarked upon.

***** Attached on pages 36 to 37 of the Annexures are the following:**

- Letter of application from Koppie Alleen Primary School
- Valuation certificate from the Valuation section

POLICY AND LEGISLATIVE FRAMEWORK

- The Constitution of the Republic of South Africa
- MFMA
- Supply Chain and Management Policy
- South African Schools Act (SASA)
- Matjhabeng approved Policy on the Alienation of Immovable Assets

COMMENTS FROM OTHER DEPARTMENTS

INFRASTRUCTURE

Comments from Infrastructure were not yet received at the time of compilation of this item due to time limitations and they will be obtained before submission to MAYCO.

SPATIAL PLANNING

The site is zoned for Educational purposes and can therefore be utilized for a school

FINANCIAL IMPLICATIONS

There will be revenue derived from the consumption of services and subsequently from rates and taxes when the site is disposed.

LEGAL IMPLICATIONS AND POLICY IMPLICATIONS

Council as the owner of land has the prerogative to sell land to the individuals and organizations it feels are for community good in accordance with:

- **Municipal Finance Management Act (MFMA), which reads as follows:**
- **“Disposal of Capital Asset**
 - 1) A Municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of capital asset needed to provide the minimum level of basic Municipal services.
 - 2) A Municipality may transfer ownership or otherwise dispose of capital asset other than one contemplated in sub- section (1) but only after the Municipal Council, in a meeting open to public
 - (a) has decided on reasonable ground that the asset is not needed to provide the minimum level of basic municipal services: and
 - (b) has considered the fair market value of the asset and the economic and community value to be received in exchange of the asset.”
- **Approved Supply Chain Management Preferential Procurement Policy which reads as follows:**
 - 6.4. The Council reserves the power to decide on the transfer of ownership or otherwise of the disposal of a capital asset that is not needed to provide a minimum level of basic municipal services.
 - 6.5. The power to decide on the transfer of ownership or otherwise of the disposal of a movable capital asset below the value of R 1,000,000 that is not needed to provide a minimum level of basic municipal services is delegated to the Municipal Manager.

CONCLUSION

The requested erf is not required for the provision of municipal services as such can be disposed of accordingly.

RECOMMENDATION

1. That the Mayoral Committee recommends the granting of permission for the school to put up temporary containers to be used as additional classrooms.
2. That the process for the disposal of Erf 5735 Riebeeckstad be commenced with immediately.

MC24 of 2019

REPORT ON 2019/20 FINAL BUSINESS PLAN DRAFT FOR THE DEPARTMENT OF HUMAN SETTLEMENTS (AED: LED, P & HS) (12/1/2/15)

PURPOSE OF REPORT

To present before the Mayoral Committee, the Provincial Department of Human Settlements the final Business Plan draft meant to support the municipalities in the financial year 2019/2020.

BACKGROUND AND DISCUSSION

The Provincial Department of Human Settlements has been engaging the Municipalities regarding the Business Plan detailing support projects that are aimed at supporting the various municipalities during the financial year 2019/2020. The process has been informed by numerous engagements during 2018, both at political and administrative level.

On the 22nd January 2019, all the Municipalities were invited to deliberate on the final draft and the Matjhabeng Local Municipality was represented by the Senior Manager Human Settlements and two other programme Managers Me Porotloane (Accreditation Support and beneficiary Management as well as Mr Themba Rasmeni (Tittle deeds distribution and Restoration programmes).

The presentation covered planned and existing Infrastructure, Top structure projects, as well as Compliance issues namely:

- Infrastructure
- Top Structures
- Tittle deeds restoration project
- Accreditation Support

*** **Attached as SEPARATE COVER 7** is the detailed presentation.

During the deliberations, Matjhabeng LM indicated programmes that still need attention namely:

- Infrastructure delivery for the development of Gap Market Housing
- Individual subsidies where different private developers enter our space in an endeavour to assist on bonded houses and properties that belonged to SA Trust, Nu-way and Hlano respectively.
- Self-built incomplete houses and that policy makes provision for that under consolidation subsidy.

Regarding the above, the HOD Human Settlements advised that the Municipality deliberates on the limited budget and provides direction in accordance with Municipal priorities.

CONSULTATION

The CFO and Manager Erven Planning were provided with copies of the final Business Plan draft for inputs and confirmation. Manager Erven Planning confirmed that all projects are on the 2018/2019 IDP and are on various stages of implementation.

LEGISLATIVE AND POLICY POSITION

Underneath is legislative framework that is not exhaustive

- Intergovernmental Relations Act(IGR)
- DoRA
- Public Finance Management Act
- Municipal Finance Management Act
- Housing Act of 1997 as amended
- Municipal Systems Act
- Municipal Structures Act
- BNG policy

FINANCIAL IMPLICATIONS

The overall budget for the Matjhabeng LM is **R156 452 962**.

RECOMMENDATIONS

1. That the Mayoral Committee takes note of the the final Business Plan draft as presented.
2. That projects on the Business Plan are aligned to the Municipal IDP and SDBIP.

MC25 of 2019

**PROGRESS REPORT ON THE KHAEDU IMPLEMENTATION PLAN REGARDING
TITLE DEEDS REGISTRATION AND DISTRIBUTION (AED: LED, P & HS)
(12/1/2/15)**

PURPOSE

To present to the Human Settlement Section 80 Committee a progress report on the KHAEDU Action Plan pertaining title deeds registration and distribution.

BACKGROUND

During September 2018 the Provincial Human Settlement Department as well as the Municipality met and identified challenges with regard to the registration and the distribution of title deeds within the municipality as part of the Province's Khaedu Project. Following the said interaction, an Implementation Plan was drafted to address the identified challenges.

*** Attached on pages 38 to 39 of the Annexures is the Khaedu Project report.

DISCUSSION

With regard to the registration of title deeds (security of tenure) in terms of Act 81 of 1988(Conversion of certain rights of leasehold into ownership) and the Enhanced Extended Discount Benefit Scheme (Programme) to transfer Government's housing rental stock to qualifying occupants), the biggest challenge identified was that the municipality was depended on walk-ins from qualifying occupants for the application process hence the low numbers and slow progress in applications made. The solution as per the Implementation Plan was that there should be community outreach programmes to encourage qualifying to come and apply for title deeds.

Community outreach programmes were embarked on in Nyakallong, Mmamahabane, Phomolong and Thabong, where call-in letters were distributed to qualifying occupants as per the updated list of sites not yet registered from the Provincial Department.

*** The summary of the reports pertaining to call-in letters issued is **attached on page 40 to page 41 of the Annexures.**

The verification and distribution of title deeds was done in Thandanani (2010) during the week of the 22nd to the 26th of October 2018. A list of 150 title deeds was received from the Provincial HS department and the summary report of the work carried out during that week is attached on page 49-49 of the Annexures. There was also a verification and distribution programme of 150 title deeds in Meloding that was earmarked for the week of the 19th to the 23rd of November 2018. The programme was however not embarked on due to the strike action that was undertaken by municipal workers during November 2018.

PROBLEM STATEMENT

Most of the beneficiaries have passed on and the next of kin do not have letters of authority from the court.

Beneficiaries are not honouring call-in letters issued to them.

Some of the people occupying the properties are not the rightful owners and the whereabouts of the rightful owners are not known.

RECOMMENDATION

1. That the Mayoral Committee takes note of the report.

MC26 of 2019

**PROGRESS REPORT - ALLOCATION OF SITES AT THABONG WARD 16
FREEDOM SQUARE (AED: LED, P & HS) (20/14/4/3)**

PURPOSE OF REPORT

To report to the Mayoral Committee on the progress of allocation / formalisation of sites in Thabong ward 12 (Freedom Square).

BACKGROUND AND DISCUSSION

During 2007, relocation process took place to Thubelisha from Freedom Square. Approximately 90% of shacks were relocated but some could not due to lack of more pegged sites. Illegal occupation on the cleared blocks of Freedom Square then took place thus creating another informal settlement. During 2014, the latter was enumerated and recorded as one of the 21 informal settlements in Matjhabeng and it was subsequently registered as an IDP Project.

After enumeration was conducted by HDA (Housing Development Agency) the process of verifying the registered **334** occupants of shacks in Freedom Square through HSS(Housing Subsidy System) took place and the list was submitted to ward Councilor to also verify.

The list was resubmitted to the Department with an indication that some of the people on the list have vacated Freedom Square and their shacks were either leased or removed from site. The list also included people from backyards in Freedom Square and not only people to be formalized in Freedom Square. On the basis of that, the number on the list increased from **334** to **456**.

In 2013 the Provincial Department of Human Settlements approved funding of **7000** sites to be planned and pegged in Matjhabeng and Freedom Square was one of the areas that benefitted from this project.

The Consultant, Pula, who was appointed by Provincial Human Settlements planned and pegged 390 residential sites in Freedom Square,

When formalization was physically conducted it was discovered that only **366** shacks were on site and allocated permanent site numbers. The other people appearing on the list were reported to be from the backyards.

To date a total of 382 sites has been allocated, about 8 sites remained, however these sites are already occupied by individuals. The finalization of allocation and installation of Electricity has resulted in the number of disputes arising as people who have been allocated sites, namely backyard dweller are only coming fourth to occupy their sites now due to electricity been installed and these sites are already occupied by other individuals.

PROBLEM STATEMENT

- The Department has received complaints from people who were reported to have vacated Freedom Square a long time ago but because permanent site numbers were being allocated they wanted to come back and also benefit.
- The installation of Electricity has given rise to demand, as people who have been allocated sites but never occupied found their sites occupied by other individual who refuse to vacate sites.
- Sites that were not allocated due to being situated on wet land have been invaded, allocation was halted there so as to allow the Municipality to backfill the area, and however the sites has been invaded illegal.
- A total number of 150 people in the Freedom Square list cannot be allocated sites, an alternative land is required to move these individuals temporarily there.

POLICY POSITION

The approved Allocation policy stipulates as follows in terms of clause 5.3

5.3 ALLOCATION OF SITES

Allocation will be done per Proportional representation:

The municipality allocates sites either for **in situ** developments or on Greenfield. With regard to **in situ** developments, a thorough verification process must have been done by administration in order to ascertain the property ownership.

With regard to Greenfield, allocation is informed by the waiting list once the process of township establishment has been finalized.

The plight of backyard dwellers must be considered as first priority as opposed to informal settlers.

Serviced sites shall be made available to all applicants of housing subsidies, informal settlements recognized for upgrading backyard dwellers and applicants who only need to purchase serviced sites and will be able to build their own houses.

STEPS

1. *Land Affairs Section will inform the ward councilors every time there is serviced land available for allocation to the residents who cannot afford to buy, with special emphasis to the previously disadvantaged communities.*
2. *Ward Councilors will also be invited to come forward and verify the waiting list that has been kept by the Department.*

3. *After verification, and acceptance of conditions, residents will be given allocation letters as well as permission to occupy document to sign*
4. *The list of all people who have been allocated sites will be sent to Finance Department for opening of accounts.*
It then becomes the responsibility of the residents to open an account with finance and register for indigence where applicable.

RECOMMENDATION

1. That the Mayoral Committee takes note of the report.

MC27 of 2019

**PROGRESS REPORT ON DISPOSAL OF CHURCH, CRECHE AND NPO SITES
(AED: LED P, & HS) (8/1/1)**

PURPOSE

To submit before Section 80 Committee of Human Settlements the status report on disposal of community facilities sites.

BACKGROUND AND DISCUSSION

On the 30th May 2018 an item served before Council for approval of Community facility sites; Council resolved as follows:

A50 of 2018

**DISPOSAL OF CAPITAL ASSETS – ALIENATION OF IMMOVABLE PROPERTIES:
COMMUNITY FACILITIES SITES IN MATJHABENG (EXECUTIVE MAYOR) (8/3)**

COUNCIL RESOLVED: (30 MAY 2018)

1. That Council **NOTES** the report.
2. That Council **RESOLVES** that Erven mentioned on the item and also depicted on pages 52-81 of the Annexures **ARE NOT NEEDED** to provide future minimum basic municipal services.
3. That Council **NOTES** the Valuation amount on each property as received from the revenue department.
4. That Council **RESOLVES**, in compliance to Section 14 (5) of the MFMA, that the property **BE DISPOSED OFF** at the market value in a fair, equitable, transparent, competitive manner and in accordance with Council's Supply Chain Management Policy and Policy on the Alienation of Immovable Assets.
5. That Council **RESOLVES** that the Municipal Manager, in compliance with Section 6.20 of the SCM Policy and Policy on the Alienation of Immovable Assets, shall **SUBMIT** a report concerning the outcome of the bidding process to Council.
6. That provision for sites in Hani Park **BE INCLUDED** in the list of community facilities (churches, crèches and NPO) that are earmarked for disposal.
7. That the addresses reflected in the list **BE UPDATED**.

Following the approval by Council the land affair section proceeded to prepare an advert to be placed in newspaper for advertisement.

The press publication form has been submitted to the Office of Municipal Manager for approval, the advert is planned to appear in two (2) local and one (1) national newspaper by the latest 1st March 2019.

FINANCIAL IMPLICATIONS

Newspaper publication cost.

LEGAL IMPLICATIONS

MFMA

RECOMMENDATIONS

1. That the Mayoral Committee takes note of the report.
2. That the report be submitted to Council for information.

MC28 of 2019

PROGRESS REPORT MUNICIPAL RESIDENTIAL SITES SOLD OR INTENDED TO BE SOLD ILLEGALLY (AED: LED, P & HS) (12/1/2/5)

PURPOSE

To submit before the Mayoral Committee the status report on Municipal land that was sold or purported to be sold illegal.

BACKGROUND AND DISCUSSION

On or around 2017 the Housing department discovered that there was a growing number of individual alleging to have purchased the site from the Municipality, with concern of this the Housing department engaged the finance department in memo dated 21st April 2017, the clearance department was requested to refrain from issuing clearance certificate without consulting the Housing department on Erven registered as belong to the Municipality, however despite the above, the illegal sale of land proceeded.

the following are cases which came to the attention of the Housing department, these are but a few we believe there is more which we might not have been aware of, the common thing with all this is that the signature of the previous Municipal Manager were used, namely; Mr. Lepheana and Mr. Ramathebane.

The criminal case CAS 116/08/2017 has been submitted to National Director of Prosecution for decision. There is also a conviction of private individuals and two more cases are pending. An official has already resigned but investigations are ongoing.

Messrs. Kemi Akinbohun Attorneys was appointed to sought a court order to de-register sites that were already illegal transferred, we attached hereto her report pertain to the case.

*** Attached on pages 42 to 43 of the Annexures is the deregister report.

FINANCIAL IMPLICATIONS

None.

LEGAL IMPLICATIONS

CRIMINAL PROCEDURE ACT

SUBMITTED FOR INFORMATION