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GENERAL NOTICE

No. 154**NDLAMBE****MUNICIPALITY**

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**MINUTES OF THE OPEN NDLAMBE COUNCIL MEETING HELD ON TUESDAY, 10
MAY 2011 AT 10H00**

N̄CM043/05/2011

REPORT DATED MAY 2011 FROM THE MAYOR TO COUNCIL : BUDGET 2011/2012

COUNCIL RESOLVED

1. That the Capital Budget and Operating Budget for the 2011/2012 financial year as presented by the Mayor BE APPROVED with the following provisions:
2. That the Integrated Development plans linked to the Budget BE APPROVED with relevant amendments.
3. That all the matters prescribed in Sec 17 (1) (a-e); 17 (3) (a,b,c,d,e,f,j and k) of the Municipal Finance Management Act No. 56 are included in the budget document and are approved.
4. That the Rates Policy, Indigent Household Support Policy, Subsistence and Travelling Policy, Budget Policy, Fixed Assets Policy, Policy on the Write off of Irrecoverable Debt, Municipal Loans Policy, Ndlambe Tariff Policy, Customer Care, Credit Control and Debt Collection Policy and Virement Policy BE APPROVED with a correction on the Subsistence and Travelling Policy where the wording South African Revenue Services Tariff be replaced with the Automobile Association Rates applicable to running costs.
5. That the rate of 13% increase on refuse, sewerage, sanitation and 20.38% increase on electricity for the financial year ending 30 June 2012 BE APPROVED.
6. That the 10% increase on rates - water and the miscellaneous tariff as set out in the budget document for the financial year 01 July 2011 to 30 June 2012 BE APPROVED.
7. That the annual and monthly charges increase by 01 July 2011 to 30 June 2012 BE APPROVED.
8. that the following concerns raised by Councillor M-L Swanepoel on behalf of the Democratic Alliance in addition to the responses made by the Mayor BE NOTED.

- As suggested by NAG, Director : Financial Management should carry out means testing to determine affordability. The ability of all ratepayers to continue paying large compounding annual increases could no longer be taken for granted in the depressed local economy especially when set against declining service levels and productivity.
- Economic profiling of the wards should also be carried to determine and stimulate the general state of the local economy that was presently unknown.
- Farms – these pay the same rates but are not getting same services.
Response from Director : Financial Management - all agricultural owners may apply for rates rebates in accordance with Council Policy.
- The river bank in Kleinemonde is eroding dangerously fast but is not regarded as a priority; funding to be sought urgently as ROD is only valid for one year.
Response from Director : Community / Protection Services - : ROD can be extended; business plan has been prepared but no funding has been sourced to date. Kleinemonde ratepayers working well with the municipality to solve this issue Directorate : Infrastructural Development should also be involved.
- The 13% increase on sanitation, sewerage and refuse removal tariffs was questioned.
Response was that this was due to increased costs of electricity and fuel Refuse removal would improve with a pre- owned refuse compactor purchased for Alexandria.

In conclusion Councillor M-L Swanepoel stated that the Democratic Alliance found itself between a rock and a very hard place in supporting the budget. The increases of 10% on rates and 13% on tariffs would impact negatively on most residents, [especially those in retirement on fixed incomes and struggling businesses], but to reduce the increases would only accelerate the steadily declining downward spiral of service standards and infrastructure in Ndlambe beyond recovery. She also seriously questioned whether anybody present in the Council Chamber actually believed that the inflation rate was 4% when fuel alone had risen by 20% in the past year.

The disconnection between National Treasury and the harsh realities and historic backlogs experienced by Local Government, was evident. She again emphasized that as a low capacity rural Municipality, Ndlambe should not be lumped in with high capacity Metros when it came to central bargaining, as staff expenditure was being driven steadily upwards by unrelenting pressure from the Unions.

It was imperative that the balance between affordability and productivity be struck and maintained and that every effort be made to save where possible.

The absence of even a small capital budget was to be regretted, but had to be accepted for obvious reasons. Growing dependency on grants remained a worry although the Director: Infrastructural Development was commended for his tremendous efforts in accessing grants to improve the failing infrastructure.

The Democratic Alliance therefore accepted the budget as tabled but only with reluctance.

In bidding farewell after 23 years, Cllr. Swanepoel thanked the Mayor for his leadership over the years and all her Colleagues in Council, with whom she parted on good terms. Despite inevitable political disagreements, issues were never personalized and goodwill

remained. She expressed her gratitude to the Municipal Manager, and the Directors for their co-operation and the members of staff who had always been willing to assist, for their dedication. The members of the public were also sincerely thanked for their interest, support and participation and she wished Ndlambe a peaceful election and hoped that the incoming Council would find the road rising gently before them and the wind at their backs as they worked together for the good of all the people of Ndlambe.

9. That the following amendments be made and noted:

- Policies – Travel and Subsistence Allowances were queried.
Response from the Director : Financial Management - new Council to discuss mayoral handbook + AA rates that guide and govern this Policy.
- Apologies to Councillor Z Ngxingo for omission of his photograph in the IDP Document.
That the photograph of Councillor Z Ngxingo be included in the revised IDP for the 2011/2012 financial year and that it be noted that the Director : Financial Management apologized to Councillor Z Ngxingo for the omission and requested that he make himself available for his photograph to be taken.
- *IDP Document amendments.*
That the updated organogram of the Community / Protection Services Directorate be included in the revised 2011/2012 IDP Document.

A complete tariff list will be available on Ndlambe Municipality web-site
www.ndlambe.gov.za.

Notice number : 54/2011
Ref number : 24/5/11/12

R. Dumezweni
Municipal Manager