Notice is hereby given that a **SPECIAL MEETING** of the **MUNICIPAL COUNCIL** of Knysna Municipality will be held in the **COUNCIL CHAMBER**, Clyde Street, Knysna on **THURSDAY, 24 AUGUST 2017** at **09:00** to consider the business set forth in the attached agenda.

Kennis geskied hiermee dat 'n **SPESIALE VERGADERING** van die **MUNISIPALE RAAD** van Knysna Munisipaliteit in die **RAADSAAL**, Clydestraat, Knysna op **DONDERDAG, 24 AUGUSTUS 2017** om **09:00** gehou sal word ten einde sake soos uiteengesit in die aangehegte agenda te oorweeg.

Isaziso **ESIBALULEKILEYO SENTLANGANISO yeBHUNGA likaMASIPALA waseKnysna eyakubanjelwa KWIGUMBI LEKHANSILE kwisitalato iClydee, Knysna lentlanganiso iyakuba NGOWESINE, NGE 24 EYOMDUMBA 2017 ngentsimbi ye 09:00 umba iyakuba lushishino oluchazwe kwi-agenda.

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**CLLR G R WOLMARANS**
The Speaker
Die Speaker
Usomlomo

**MR K CHETTY**
The Municipal Manager
Munisipale Bestuurder
uManejala KaMasipala
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AGENDA

1. OPENING AND WELCOMING
2. SILENT PRAYER
3. ATTENDANCE OF MEMBERS
   3.1 COUNCILLORS PRESENT
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   3.3 COUNCILLORS WITHOUT LEAVE
5. DISCLOSURE OF INTERESTS BY COUNCILLORS
6. INTRODUCTION OF NEWLY APPOINTED STAFF FOR THE MONTH OF JUNE 2017 TO JULY 2017

JUNE 2017

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<th>NAME</th>
<th>JOBDESIGNATION</th>
<th>DIRECTORATE</th>
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<tr>
<td>1. Mr G Griffin</td>
<td>Labour Relations Officer</td>
<td>Corporate Services</td>
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<tr>
<td>2. Mrs P Booth</td>
<td>Manager : Environmental</td>
<td>Planning &amp; Development</td>
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<td>3. Mr R Daames</td>
<td>Building Control : Officer</td>
<td>Planning&amp; Development</td>
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### JULY 2017

<table>
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<tr>
<th>NAME</th>
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<tbody>
<tr>
<td>1. Mr C Chetty</td>
<td>Municipal Manager</td>
<td>Municipal Manager</td>
</tr>
<tr>
<td>2. Ms G Roberts</td>
<td>Human Resources Officer</td>
<td>Corporate Services</td>
</tr>
<tr>
<td>3. Mr L Mditchwa</td>
<td>Project Coordinator</td>
<td>Planning &amp; Development</td>
</tr>
<tr>
<td>4. Mr V Nobatana</td>
<td>Senior Clerk: SCM</td>
<td>Finance</td>
</tr>
<tr>
<td>5. Mr C Ruiters</td>
<td>Senior Clerk: SCM</td>
<td>Finance</td>
</tr>
<tr>
<td>6. Mr N Dlulane</td>
<td>Assistant Technician</td>
<td>Technical Services</td>
</tr>
<tr>
<td>7. Mr MM Joordan</td>
<td>Superintendent : Water &amp; Sewer</td>
<td>Technical Services</td>
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<tr>
<td>8. Ms A Du Plooy</td>
<td>Senior Clerk : LED</td>
<td>Planning &amp; Development</td>
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<tr>
<td>9. Ms N Khonzani</td>
<td>Senior Clerk: Stores</td>
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7. **MATTER SUBMITTED BY THE MUNICIPAL MANAGER**

7.1

**REPORT FROM DIRECTOR: FINANCE**

**PURPOSE OF THE REPORT**

For Council to consider and approve an adjustments budget in terms of section 28(1) of the Municipal Finance Management Act (MFMA), which states that “A municipality may revise an approved annual budget through an adjustments budget.”

Section 28(2) An Adjustment Budget -

28(2)(a) must adjust the revenue and expenditure estimates downward if there is material under collection of revenue during the current year

28(2)(e) may authorize the spending of funds that were unspent at the end of the past financial year were the under spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council

Section 28 of the MFMA read together with section 23 of the Municipal Budget and Reporting Regulations (MBRR) sets out the criteria, timeframes and other prescriptions for when a municipality may revise an approved annual budget through an adjustments budget.

**FINANCIAL IMPLICATIONS**

The financial implications of the adjustments budget are contained in the Adjustments MTREF 2017/2018 document attached.

**RELEVANT LEGISLATION**

Municipal Finance Management Act and Government Gazette 32141: Municipal Budget and Reporting Regulations.

**RECOMMENDATION OF THE MUNICIPAL MANAGER**

[a] That the annual adjustments budget of Knysna Municipality for the financial year 2017/2018, as set-out in the schedules contained in Section 4, be approved:

[i] Table B2: Adjustments Budget Financial Performance (expenditure by standard classification);

[ii] Table B3: Adjustments Budget Financial Performance (expenditure by municipal vote);

[iii] Table B4: Adjustments Budget Financial Performance (revenue by source);
[iv] Table B5: Adjustments Budget Capital Expenditure for both multi-year and single year by vote, standard classification and funding.

[b] That the annual adjustments budget of Knysna Municipality for the financial year 2017/2018, as set-out in the schedules contained in Section 4, be approved:

[i] Table B2: Adjustments Budget Financial Performance (expenditure by standard classification)
[ii] Table B3: Adjustments Budget Financial Performance (expenditure by municipal vote)
[iii] Table B4: Adjustments Budget Financial Performance (revenue by source and Expenditure by Type)
[iv] Table B5: Adjustments Budget Capital Expenditure for both multi-year and single year by vote, standard classification and funding source

[c] That the following adjustments permitted in terms of 28 (2) of the Municipal Finance Management Act and reflected in the tables referred to in resolution [a] above be approved:

[i] Knysna Municipal Council authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
[ii] That the Knysna Municipal Council provide for any other expenditure within a prescribed;
[iii] That any errors in the annual budget be corrected; and
[iv] Knysna Municipal Council adjust the revenue and expenditure estimates downwards since there will be material under-collection of revenue during the current year;
[v] Knysna Municipal Council appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for

[d] That Council approves the following HR policies that were tabled with the approval of the final budget but were not listed in the policy resolution. (see page 9-10 of the Council agenda on 7 June 2017) as well as annexures. This to rectify the technical interpretation of the resolution:

[i] Scarce skills and retention policy
[ii] Travel and subsistence policy
[iii] Stand-by policy
[iv] Overtime policy
[v] Acting policy

[e] That revisions to the monthly and quarterly service delivery targets and performance indicators in the service delivery and budget implementation plan be approved by the Executive Mayor and submitted to Council at its next meeting for noting to correspond with the financial implications of the adjustments budget.
APPENDIX
Adjustments MTREF 2017/2018
Annexure 1 – Main Budget Tables
Annexure 2 – Supporting Budget Tables.
Annexure 3 – Gazette
Annexure 4 – Total Capital Adjustment Budget
7.2

SC02/08/17 PROGRESS REPORT ON THE RECRUITMENT AND SELECTION OF THE POSITION OF DIRECTOR CORPORATE SERVICES

REPORT FROM THE MUNICIPAL MANAGER

PURPOSE OF THE REPORT

The purpose of this report is to update Council on the process to be followed with the filling of the position of Director Corporate Services which became vacant end January 2017. It is also to request Council to re-advertise the position, appoint a Selection panel for the Recruitment and Selection process and the appointment of an Acting Director Corporate Services.

BACKGROUND

It is of utmost importance that this post be filled as soon as possible to ensure that the Top Management is fully staffed.

An item regarding the filling of this position served before Council at a Special Council Meeting held on 17 January 2017.

A subsequent item served before Council during March 2017 to amend the Recruitment and Selection Panel.

A Recruitment and Selection Process was followed and interviews were held. An item containing the Outcome Report of the process served before Council at its meeting of 20 June 2017.

Council at its meeting of 20 June 2017 resolved that:

“[d] That the recommendation from the Selection Panel to hold the filling of the position of Director Corporate Services in abeyance until the finalization of the organizational structure and the appointment of the Municipal Manager, be approved;

[e] That in terms of Section 56 of the Local Government Municipal Systems Act, 2000, Mr Carl Mattheus be appointed as Acting Director Corporate Services, for a maximum period of three months.”

The Municipal Manager has now been appointed and it is recommended that the position of Director Corporate Services be re-advertised and that the following procedure as set out in the Local Government Municipal Systems Act, be followed.

The Nature and Content of the Positions

Section 56 of the Local Government: Municipal Systems Act, Act 32 of 2000, (Systems Act) provides for the appointment of Managers directly accountable to the municipal manager. The Local Government Regulations on Employment and Conditions of Employment of Senior Managers, as promulgated on 17 January 2014, sets out the process for recruitment and selection of senior managers (see Annexure A).
In terms of the Regulations, the following principles must be followed:

1. The recruitment, selection and appointment of senior managers must take place in accordance with the Regulations as well as Municipal Systems Act sections 56, 57 A of the aforesaid Act.
2. Senior Manager positions must be filled through public advertising, in accordance with the procedures contemplated in regulation 10 of the mentioned Regulations.
3. Selection must be competence-based to enhance the quality of appointment decisions and to ensure the effective performance by municipalities of their functions.

The Regulations also state that as soon as the positions of Managers directly accountable to the Municipal Manager becomes vacant, or are due to become vacant, the Municipal Manager must obtain approval from the Municipal Council for filling the post in its next Council meeting or as soon as it is reasonably possible to do so. A vacant senior manager post may not be filled, unless approval to fill the post has been granted by the Municipal Council and the post has been budgeted for.

Furthermore, no person may be appointed as a Senior Manager unless he or she is a South African citizen or permanent resident; and possesses the relevant Competencies, qualifications, experience, and knowledge set out in the said Regulations.

Advertising of vacant posts

The Municipal Manager must, within 14 days of receipt of the approval for the filling of the post from the Municipal Council, ensure that the vacant post is advertised in a newspaper circulating nationally and in the province. The advertisement for a vacant senior manager post must specify:

- Job title;
- Term of appointment
- Place to be stationed;
- Annual total remuneration package;
- Competency requirements of the post, including minimum qualifications and experience required;
- Core functions;
- Need for signing of an employment contract, a performance agreement and disclosure of financial interest;
- The need to undergo security vetting;
- Contact person;
- Address where applications must be sent or delivered; and
- Closing date which must be a minimum of 14 days from the date the advertisement appears in the newspaper and not more than 30 days after such date.

Selection panel

Council must appoint a selection panel to make recommendations for the appointment of candidates and the panel must consist of at least three and not more than five members, constituted as follows:

- The Municipal Manager who will be the Chairperson.
- A member of the Mayoral Committee or Councillor who is the Portfolio head of the relevant Directorate.
- At least one other person, who is not a Councillor or a staff member of the Municipality, and who has expertise or experience in the area of the advertised post.
It is advised that the two representative unions, SAMWU and IMATU, are invited to attend the interview process to observe the process. Each union may have one member present during the interview process. It is further advised that representative observers of parties in Council, as well as Independent Councillors are invited to attend the interview process. Each party may have one member present during the interview process.

**Compiling shortlist and screening of applicants**

The Municipal Manager, in consultation with the selection panel, must compile:

(a) a list of all applicants who applied for an advertised post with an evaluation of their relevant competency requirements.
(b) A shortlist evaluated against the relevant competency requirements as set out in Annexures A and B of the Regulations.

The shortlisting must be finalised within 30 days of the closing date of the advertisement.

Screening of the shortlisted candidates must take place within 21 days of the finalisation of the shortlisting by

(a) Conducting the necessary reference checks;
(b) Contacting a candidate’s current or previous employer;
(c) Determining the validity of a candidate's qualifications; and
(d) Verifying whether a candidate has been dismissed previously for misconduct or poor performance by another employer.

A written report on the outcome of the screening process must be compiled by the Municipal Manager before the interviews take place.

**Interviews**

The selection panel, which must remain the same throughout the screening and interviewing process, must conduct interviews within 21 days of screening the candidates. Ideally the selection of the candidate for appointment should be via consensus. The selection panel must also recommend the second and third suitable candidates to minimise delays that may arise in the filling of the post if the first choice candidate declines or does not accept the offer of employment. Should there be no suitable alternates, such must be reported to Council.

**Selection and Appointment**

It is recommended that the candidates recommended for appointment to the post undergo a competency assessment.

The selection panel must submit a report and recommendation on the selection process to Council on the suitability of candidates who comply with the relevant competency requirements of the post as set out in Annexures A and B to the Regulations, in order of preference.

Before making a decision on an appointment, a municipal council must satisfy itself that:

(a) The candidate meets the relevant competency requirements for the post, as set out in Annexures A and B of the Regulations;
(b) Screening of the candidates has been conducted in terms of regulation 14 of the said Regulations; and
The candidate does not appear on the record of staff members dismissed for misconduct as set out in Schedule 2 of the Regulations.

As soon as the Municipal Council has taken a decision on the appointment of a suitable candidate, it must inform all interviewed candidates, including applicants who were unsuccessful, of the outcome of the interview; and within 14 days submit a written report to the Member of the Provincial Executive Council (MEC) for local government regarding the appointment process and outcome.

The report to the MEC must contain:
(a) Details of the advertisement, including date of issue and the name of newspapers in which the advert was published, and proof of the advertisement or a copy thereof;
(b) A list of all applicants;
(c) A report contemplated in regulation 14(2) on the screening process and the outcome thereof;
(d) The municipal council's resolution approving the selection panel and the shortlisted candidates;
(e) Competency assessment results;
(f) The minutes of the shortlisting meeting;
(g) The minutes of interviews, including scoring;
(h) The recommendations of the selection panel submitted to the municipal council;
(i) The recommendation of the executive mayor to the municipal council, if any;
(j) The municipal council resolution approving the appointment of the successful candidate;
(k) The application form, curriculum vitae, proof of qualifications and other supporting documentation of the successful candidate;
(l) a written confirmation by the successful candidate that he or she does not hold political office as contemplated in section 56A of the Systems Act, as at the date of appointment;
(m) The letter of appointment, outlining the term of contract, remuneration and conditions of employment of the senior manager; and
(n) Any other information relevant to the appointment.

**Appointment of an Independent Consultant to assist with the process**

It is proposed that an Independent Consultant be appointed to assist with the Recruitment and Selection process and psychometric test and competency assessment.

**Appointment of Acting Director Corporate Services**

The position of Director Corporate Services is vacant since end January 2017.

Section 56 of the Municipal Systems Act deals with the Appointment of Managers directly accountable to Municipal Managers and section 56 stipulates as follows:

(1)(a) A municipal council, after consultation with the municipal manager, must appoint-

(i) a manager directly accountable to the municipal manager, or
(ii) an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed.

**RELEVANT LEGISLATION**

Municipal Systems Act, Act 32 of 2000
Local Government: Regulations on appointment and conditions of employment of Senior Managers

**FINANCIAL IMPLICATIONS**
The position is budgeted for in terms of the MTREF.

**RECOMMENDATION OF THE MUNICIPAL MANAGER**

[a] That the report by the Municipal Manager regarding the filling of the vacancy of the Director: Corporate Services, be noted;

[b] That the contents of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers as well as Government Gazette No. 40118 regarding the Upper Limits of Total Remuneration packages payable to Municipal Managers and Managers directly accountable to Municipal Managers, be noted;

[c] That Council notes the recommendation from the Municipal Manager that the re-advertisement of the position of Director: Corporate Services, be supported and approved;

[d] That the selection process set out in the report mentioned in [a] above be adopted;

[e] That the following Selection Panel be appointed to make recommendations to the Municipal Council for the appointment of a Director: Corporate Services:

Municipal Manager, Mr Kam Chetty – Chairperson;
Executive Mayor, Cllr E Bouw-Spies;
Portfolio Councillor, Cllr P Myers;
A person who has expertise or experience as Director: Corporate Services; and

[f] That an Independent Consultant be appointed to assist the Selection Panel mentioned in [e] above with the screening of shortlisted candidates and the competency assessment of candidates recommended for appointment as determined in Regulations 14 and 16 respectively, of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Manager, 2014;

**APPENDIX / ADDENDUM**

Annexures: Government Gazette No. 37245 dated 17 January 2014;
Government Gazette No. 40118, Upper Limits of Total Remuneration packages payable to Municipal Managers and Managers directly accountable to Municipal Managers;

File Number: 4/1/2/2
Execution: Municipal Manager
            Manager Human Resources
8. Closure

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