

CITY OF MASVINGO

MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE FINANCE AND GENERAL PURPOSES COMMITTEE HELD IN THE COMMITTEE ROOM, MUNICIPAL OFFICES ON TUESDAY, 23 JANUARY 2024 AT 5.23 P.M.

**PRESENT:** Councillor B. Muchokwa (Chairman)  
His Worship the Mayor (Councillor A. Tabe)  
Councillor R. Musekiwa  
Councillor M. Madhuna  
Councillor S. Manyanga

**OFFICIALS:** Town Clerk  
Finance Director  
Director of Housing and Social Services  
Acting Deputy Finance Director  
Chief Internal Auditor  
Senior Health Officer  
Acting Deputy Finance Director  
Operations Engineer  
Committee Officer

***N.B The Chairman highlighted the need for Committee members to observe the time for commencement of Council meetings as provided in the Standing Orders and Urban Councils Act.***

**011. CONFIRMATION OF MINUTES**

- Before the confirmation of the minutes, it was noted that the minutes page number had been omitted.

**RESOLVED**

THAT the minutes of the meeting held on 20 November 2023 be taken as read and confirmed as a correct record and signed.

***Moved by Councillor R. Musekiwa  
Seconded by Councillor B. Muchokwa***

***[Councillor S. Manyanga joined the meeting at this point.]***

**012. MATTERS ARISING**

**Minute 484 (A)(ii): Financial performance**

The Finance Director reported that the process of installing a system that will enable for payment of bills in multiple currencies was undergoing testing and the bills raised in the month of January 2024 will be denominated in USD.

The Finance Director reported that a meeting with Stakeholders including major water consumers and the business community would be held on Wednesday, 24 January 2024 to discuss the Valuation Roll and the USD denominated billing. With regards to debts accrued before the USD billing it was reported that the balances brought forward would be denominated in USD payable at the prevailing interbank rate or in hard currency.

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**013. REPORT OF THE FINANCE DIRECTOR**

**A. FINANCIAL PERFORMANCE.**

Consideration was given to the report of the Finance Director on financial performance covering total cumulative revenue and major sources of revenue for the period under review. It was reported that the total cumulative revenue for the period up to 31 December 2023 amounted to ZWL\$71,111,265,650.95. Total revenue realized constituted 84% of the budgeted revenue for the period amounting to ZWL\$84,553,885,193.75. The major sources of revenue for the period were rental revenue amounting to 5%, fees licenses and levies 18%, grants 1%, sales and tariffs 43% and rendering of services 31%.

**(i) Measures being undertaken to improve revenue efficiency.**

It was reported that Council had instituted USD billing for the 2024 Budget to preserve value of billing

**(ii) Expenditure**

It was reported that the total expenditure for the period up to 31 December 2023 was ZWL\$ 52,343,339,964.29 representing 62 % of budgeted expenditure. Expenditure continued to be constrained by cashflows challenges with the inflationary pressures in the economy persisting as evidenced by the movement in the inter-bank exchange rate from US\$1:ZWL\$738.4115 as at end of January 2023 to US\$1:ZWL\$6104.7226 as at end of December 2023. The report of the Finance Director on staff salaries and other recurrent expenditure was noted.

**iii) Statutory Obligations**

The report of the Finance Director on Statutory obligations due as presented below was noted. The Committee highlighted the need to prioritise payment of statutory obligations.

<b>DESCRIPTION</b>	<b>AMOUNT (ZWL</b>
ZIMRA (PAYE AND AIDS LEVY)	1,012,284,196.30
NSSA	134,221,253.71
LAPF	572,821,564.34
ZIMDEF	60,924,727.51
STANDARDS LEVY	138,195,365.82
<b>Total Statutory Obligations</b>	<b>1,918,447,107.70</b>

**B. CAPITAL EXPENDITURE**

It was reported that the Total capital expenditure for the month amounted to ZWL\$177,281,578.46 and cumulative capital expenditure for the year as at December 2023 amounted to ZWL\$3,957,654,083.20.

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**Pre-paid parking activities**

The Committee noted the report of the Finance Director for the month of December 2023 covering revenue realised from pre-paid parking activities which amounted to ZWL\$162,409,000.00 realised from the sale of 24 789 parking discs, office sales of ZWL\$15,093,120.00 whilst penalties and enforcement fees amounted to ZWL\$ 5,085,00.00 and ZWL\$ 49,284,284.00 respectively giving a total collection amounting to ZWL\$231,871,404.00 for the month. The Income and expenditure statement for the Prepaid Parking Section and challenges faced was noted. The Committee noted the initiative by Management to acquire electronic gadgets to enhance revenue collection in the Prepaid section.

**D. CASHBOOK AND CASH FLOW PROJECTIONS**

The report of the Finance Director on the cashbook and actual cashflow as at 31 December 2023 and bank balances was noted.

**E. DEBTORS AND DEBT COLLECTION (RECEIVABLES MANAGEMENT)**

Consideration was given to the report of the Finance Director on debtors and debt collection covering debtors by category that is low density and high density residential, commercial, government departments. It was reported that total debtors amounted to ZWL\$ 24,900,871,304.32. the distributions of debtors by category showing the percentage of debt owed by each category was noted.

It was reported that a total of ZWL\$ 6,961,026,089.93 for the month of December 2023 was collected translating to collection efficiency of 59.15%. The Committee highlighted the need to strengthen debt collection.

**E. STORES AND ASSET MANAGEMENT**

The report of the Finance Director on Stores and Stores management covering stock levels of critical consumables including water treatment chemicals, status of fuels and oils for the period under review was noted.

**F. TAXATION AND STATUTORY OBLIGATIONS**

The report of the Finance Director taxation covering taxation statutory obligations such as value Added tax (VAT), Withholding tax, Pay as You Earn (PAYE) and presumptive taxes was noted. It was reported that stop order facilities arrangements had been made with some creditors.

**G. DEVELOPMENT OF THE LOCAL ECONOMIC PLAN FOR THE CITY OF MASVINGO**

Consideration was given to the report of the Finance Director on the roadmap for the crafting of a Local Economic Development (LED) Plan following a workshop organised by the parent Ministry which focused on the development of a "local economic plan in a devolved context". It was reported that LED involved the decentralised facilitation and regulation of local economies to achieve growth and improve the quality of life of the local population.

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The Finance Director presented the Gantt Chart which showed the activities and timeframes involved in formulating the policy such as awareness and campaigns, data gathering, draft preparation leading to presentation and adoption of the plan by Council in the week ending 25-29 March 2024. The request to draft the LED Plan and the proposed roadmap was adopted.

**RESOLVED TO RECOMMEND**

THAT the Town Clerk be instructed to formulate a Local Economic Development Plan for presentation to Council by the end of March 2023.

**H. PAYMENT OF ANNUAL REGISTRATION FEES BY PLAN DRAFTERS/ARCHITECTS**

The Committee gave consideration to the report of the Finance Director on the payment of annual registration fees by Plan Drafters and Architects per each plan submitted. It was reported that Architects/Plan Drafters were charged annual registration fees of USD 190. The Drafters/Architects had raised a complaint that they were now paying double taxes in the form of the annual registration fees and charging of plan submitted.

The Finance Director recommended that the annual registration fees be scrapped and replaced by charge per plan submitted. The request was approved. Management was tasked to explore registration procedures in respect of licensing of dogs and other domestic animals.

**RESOLVED TO RECOMMEND**

THAT Annual Registration fees for Plan Drafters and Architects be abolished and replaced with plan submission fees per plan.

**I. 2022 AUDITED FINANCIAL STATEMENTS AND AUDIT REPORT**

The Committee noted the report of the Finance Director on the audited 2022 Financial Statements. It was reported that audited financial statements and Auditors Report had been adopted by the Audit Committee and certified by Council through the Audit Committee. The report was noted.

**J. Adoption of Report**

**RESOLVED TO RECOMMEND**

THAT the report of the Finance Director be approved and adopted subject to the resolutions passed in relation thereto.

**014. REPORT OF THE DIRECTOR OF HOUSING AND SOCIAL SERVICES**

**A. LIQUOR SECTION REPORT**

The Committee considered the report of the Director of Housing and Social Services on Council liquor outlets covering sales by brand and outlet, profitability and challenges was considered. It was reported Rujeko Beerhall had a undergone a major facelift and due for reopening. The Town Clerk reported that the operations of the Liquor sections would be reviewed following the recruitment of a person responsible for management of Council income generation projects. The report was noted.

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**B. REQUEST FOR FUNDING TO COMPLETE TANAIWA HOSTELS UPGRADING**

The Committee considered the report of the Director of Housing and Social Services on the request for funding to complete Tanaiwa Hostels upgrading. It was reported that a total amount of USD 3200 was required for electrification works which involved the transferring of electricity take-off points. It was reported that the relocation of take-off points had not been foreseen and therefore not budgeted for. The funding was approved.

**RESOLVED TO RECOMMEND**

THAT the request for funding amounting to USD 3200 to complete electrification works and facilitate the construction of toilets at Tanaiwa Hostels be approved.

**C. COLLABORATIVE STRUCTURES FOR HOUSING DEVELOPMENT WITH CBZ BANK**

The Committee gave consideration to the report of the Director of Housing and Social Services on proposed partnerships for housing delivery. It was reported that Commercial Bank of Zimbabwe (CBZ) had held a meeting with Council Management with a view of partnering in housing delivery wherein Council would avail the land and the bank would provide funding for servicing the stands and construction of housing units for sale to deserving applicants on the Council waiting list.

Management had recommended that Council withdraws proposed offers extended to the Infrastructural Development Bank of Zimbabwe (IDBZ) in respect of servicing of Rhodene Extension Low density stands such that IDBZ would focus on the servicing of Morningside and Central Business District Extension stands servicing. It had also been recommended that CBZ be considered for partnership in servicing of low-cost housing stand in Runyararo North West.

The Committee instructed Management to engage CBZ over the partnership to service of stands in Runyararo North West or Rhodene Extension. The Committee tasked Management to finalise all relevant documentation such as Environmental Impact Assessment Plans (EIA) and title survey and proceed to invite all interested parties to submit their bids to partner Council in servicing the pieces of land.

**RESOLVED TO RECOMMEND**

1. THAT Management be tasked to engage the Commercial Bank of Zimbabwe (CBZ) to partner Council in the servicing of Runyararo North West high density residential stands or Rhodene low density residential stands.
2. THAT Management be instructed to expedite the preparation of relevant processes such as title survey and environmental impact assessment (EIA) with a view of inviting potential partners in housing development to make their presentations on servicing models for various projects in the city.

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**D. PROVISIONAL OFFER OF AN ADDITIONAL PIECE OF LAND (ADJACENT TO STAND NUMBER 30588) RHODENE: JUNIOR HIGH SCHOOL: N. MARIMA (FOR JUNIOR MARIMA PRIVATE LIMITED)**

The Committee gave consideration to the report of the Director of Housing and Social Services on the request for a payment plan by Mr. N. Marima (for Junior Marima Private Limited) for cost of land offered to Junior High School adjacent stand number 30588 Zimre Park Masvingo measuring 36 794m<sup>2</sup>. The developer had accepted the offer for the land and proposed a payment plan of twelve months to settle the full cost of land being USD 168,516.62. The Committee approved the payment plan taking note that the developer would pay for the cost of land in hard currency thus preserving the value of the money.

**RESOLVED TO RECOMMEND**

THAT the payment plan of twelve equal monthly instalments payable in hard currency to settle cost of land amounting to USD 168,516.62 for a piece of land measuring 36 794m<sup>2</sup> adjacent stand number 30588 Zimre Park Masvingo offered to Mr. N. Marima for Junior Marima Private Limited for the expansion of Junior High School be approved.

**E. REQUEST FOR FINANCIAL ASSISTANCE: MASVINGO UNITED FOOTBALL CLUB**

Consideration was given to the report of the Director of Housing and Social Services on the request for financial assistance towards payment of affiliation fees amounting to USD 3,610 for the 2024 season. The request was approved.

**RESOLVED TO RECOMMEND**

THAT the Finance Director be instructed to pay affiliation fees for Masvingo United Football Club amounting to USD 3,610 for the 2024 season.

**F. REQUEST FOFR STADIUM FOR TRAINING AND PAYMENT OF AFFILIATION FEES: WANGU MAZODZE**

Consideration was given to the report of the Director of Housing and Social Services on the application by Wangu Mazodze Football Club for free use of Mucheke Stadium for training session during the 2024 season as well as financial assistance for payment of affiliation fees. The request for assistance towards payment of affiliation fees was turned down. Council however granted free use of Mucheke Stadium once a week for training purposes.

**RESOLVED TO RECOMMEND**

1. THAT the request by Wangu Mazodze Football Club for financial assistance towards payment of affiliation fees for the 2024 soccer season be turned down given that the Club is privately owned.
2. THAT Wangu Mazodze Football Club be granted one day per week free use of Mucheke Stadium for training purposes.

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**G. Adoption of Report**

**RESOLVED TO RECOMMEND**

THAT the report of the Director of Housing and Social Services be approved and adopted subject to the resolution passed in relation thereto.

*[The Committee agreed to consider the report of the Acting Chamber Secretary which had not been put on the original agenda.]*

**o15. REPORT OF THE ACTING CHAMBER SECRETARY**

**A. APPLICATION FOR ISSUE OF EARLY CESSION: STAND NUMBER 27810 ZIMRE PARK COMMERCIAL AREA, MASVINGO: MR. ADMIRE MANO**

Consideration was given to the report of the Acting Chamber Secretary on the application by Mr. Admire Moyo for Council to cede early cession transfer in respect of stand number 27810 Zimre Park Commercial Area, Masvingo who intended to develop same using a credit facility availed by a local bank. It was reported that the stand measuring 6028 m2 was allocated to Mr. Kainet Moyo in 2007.

Mr. Kainet Moyo accordingly ceded his rights and interests to Mr. Admire Moyo. It was being recommended that Council grants early title cession from Mr. Kainet Moyo to Mr. A. Mano to facilitate the development of the piece of land. It was reported that currently there were no developments on site hence the request for waiver of Council policy which provides that cession can only be granted on a developed stand. The Committee approved the cession.

**RESOLVED TO RECOMMEND**

THAT the application for early cession of stand number 27810 Zimre Park Commercial Area, Masvingo measuring 6028m<sup>2</sup> from Mr. Kainet Moyo to Mr. Admire Mano to facilitate development of the property using a bank facility be approved.

**B. Adoption of Report**

**RESOLVED TO RECOMMEND**

THAT the report of the Acting Chamber Secretary be approved and adopted subject to the resolution passed in relation thereto.

The meeting ended at 7.43 p.m

**CONFIRMED THIS**

**DAY OF**

**2024**

**CHAIRMAN**

**TOWN CLERK**