

UGU DISTRICT MUNICIPALITY

MINUTES OF THE SPECIAL MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL HELD IN THE COUNCIL CHAMBERS, RAY NKONYENI MUNICIPALITY, 10 CONNOR STREET, PORT SHEPSTONE, ON FRIDAY, 08 FEBRUARY 2019, AT 11H00.

PRESENT:

Cllr NH Gumede - Speaker

Cllrs MA Chiliza (Mayor), PH Mthiyane (Deputy Mayor), LMR Ngcobo (Executive Member), L Mzimela (Executive Member), AD Ngubo (Executive Member), S Chetty, M Gcwabe, A Rajaram, SG Mngomezulu, Y Nair, H Mbatha, SR Ngcobo, TW Dube, TB Cele, R Nair, NY Mweshe, MA Manyoni, PT Naude, MA Manyoni, HJ Ngubelanga, PT Naude, GD Henderson, JJ East, D Nciki, K Dladla and MPL Zungu.

BY INVITATION:

Inkosi ZGB Msomi
Inkosi ZE Ngcobo

IN ATTENDANCE:

Mr DD Naidoo	-	Municipal Manager
Mr MS Dlamini	-	General Manager: Budget and Treasury Office
Mr VO Mazibuko	-	General Manager: Corporate Services
Mr S Mbewu	-	Acting General Manager: Water Services
Mr F Zama	-	Senior Manager: Mayoralty and Communications
Ms Z Dlamini	-	Manager: Risk and Internal Audit
Ms N Mbambo	-	Manager: Legal Services
Ms N Surajbally	-	Administrative Officer: Secretariat Unit
Ms B Malishe	-	Committee Co-ordinator

• OPENING

The Speaker welcomed all to the meeting and requested Cllr S Chetty to open the meeting in prayer.

C 24/02/19 NOTICE OF MEETING

The notice of the meeting was taken as read.

C 25/02/19 APPLICATIONS FOR LEAVE OF ABSENCE

It was noted that Cllrs NT Dlamini (*sick*), SP Mthethwa (*party work*), BL Ntusi (*training*), BE Machi (*party work*), NCP Mqwebu (*municipal business*), TA Disane (*party work*), ZZ Msani (*party work*), SE Khawula (*party work*), and DDM Hlengwa (*family responsibility*) had requested leave of absence from the meeting.

It was also noted that Cllr AD Ngubo had requested to be excused from the meeting at 12h00.

It was also noted that Inkosi BS Nzimakwe (*council business*) had requested leave of absence from the meeting.

From the Management component it was noted that the Senior Manager: Corporate Strategy and Shared Services (*municipal business*) had requested leave of absence from the meeting.

Following which,

It was unanimously

RESOLVED:

- (a) That Cllrs NT Dlamini (*sick*), SP Mthethwa (*party work*), BL Ntusi (*training*), BE Machi (*party work*), NCP Mqwebu (*municipal business*), TA Disane (*party work*), ZZ Msani (*party work*), SE Khawula (*party work*), and DDM Hlengwa (*family responsibility*) be and are hereby granted leave of absence from the meeting.
- (b) That Cllr AD Ngubo be and is hereby granted permission to be excused from the meeting at 12h00.
- (c) That Inkosi BS Nzimakwe (*council business*) be and is hereby granted leave of absence from the meeting.
- (d) That from the Management component, the Senior Manager: Corporate Strategy and Shared Services (*municipal business*) be and is hereby granted leave of absence from the meeting.

C26/02/19

DECLARATION OF INTEREST

It was noted that there was none.

C 27/02/19

CONFIRMATION OF AGENDA

The Speaker took members through the confirmation of the agenda.

Following which,

It was unanimously

RESOLVED:

That the agenda convening the Ugu District Municipal Council meeting be and is hereby **CONFIRMED**.

MATTERS FOR DISCUSSION

C 28/02/19

Directive in terms of Section 139 (1) (A) of the Constitution: Municipal Senior Management to Ensure Achievement of Unqualified Audit Outcomes (Clean), Address Unauthorized, Irregular, Fruitless and Wasteful Expenditure and Consequence Management

The Municipal Manager informed Council that the objective of the report was to advise Council of the above Circular, received from the Office of the MEC for Corporate Governance and Traditional Affairs (CoGTA) KwaZulu-Natal.

Giving members a background, he mentioned that the correspondence from the MEC for CoGTA bears reference to this matter.

He pointed out that the said correspondence required that this matter be presented to Council and thereafter, the Honorable MEC be advised accordingly of the Council resolution.

He said that the attached correspondence to the MEC set out the Municipality's responses in response to the correspondence from the MEC.

He reported that it must be noted that in terms of Clause 2/3 of the MEC's directive, the Municipal Manager must on a quarterly basis, report to the MEC on Consequence Management for Senior Officials involved in unauthorized, irregular, fruitless and wasteful expenditure.

Cllr Henderson sought clarity why the Municipality did not respond to the letter from the MEC which was sent on 10 October 2018. He further referred members from pages 7 to 8 of the agenda whereby the MEC referred to letters dated 16 and 21 November 2018 which were the follow-ups of the first letter. He also raised a concern that the Special Council was not addressing the full request from the MEC.

Responding, the Municipal Manager stated that in terms of receiving the letter, there was a problem with the internal system. He further mentioned that in terms of the letters dated the month of November 2018, he had verified with the Office of the Mayor and the Office of the Municipal Manager that there were no correspondences that were received and further advised CoGTA that the Municipality had no records of same.

He added that the only challenge was that Ugu did not respond to the Circular and thereafter the Mayor wrote a letter to the MEC acknowledging and advising her of the process to rectify the issue. He pointed out that the report that Cllr Henderson was referring to, was done and had already been tabled. He emphasized that the only thing was to respond in terms of the Circular and assured members that Council was within the 30 days' timeframe.

Cllr Nair stated that an apology had been made but also raised concern on the Consequence Management. He pointed out that the Municipality was working backwards, and that there was no Consequence Management for the Officials and that same gave the wrong impression that Officials could get away with anything. He once again pointed out that an apology had been made and requested members to accept same. He further requested for Council to move forward but also be mindful that the Municipality had to implement the Consequence Management.

Cllr Manyoni mentioned that the findings had been made and that the investigations had been done through the Internal Audit. He stated that the reports had been discussed in the Municipal Public Accounts Committee (MPAC) and were guided by the same reports in order to ensure that some of the investigations were done thoroughly. He then referred members to page 47 of the agenda and highlighted the Summary of the Findings.

Cllr Naude raised a concern that the MPAC had become a toothless body and that the said Committee was not sitting regularly due to quorum issues which was also raised as a serious concern. He then requested that members of the MPAC and the Officials had to take the said meeting seriously. He requested that the Officials should submit reports to the MPAC, relating to Overtime Payment, the Awarding of Contracts and so forth.

Cllr East pointed out that MPAC was an important Committee and requested that the membership of the said Committee should be changed with the ones who would take the said Committee seriously. He pointed out that the Unauthorized and Irregular Expenditure could not be written-off but condoned.

Cllr LMR Ngcobo stated that the Municipality had learnt things the hard way and advised that some mistakes should not be repeated and that same should be corrected

accordingly. He then sought clarity on the Irregular Expenditure that was mentioned on page 5 and page 22 of the agenda.

Responding, the Municipal Manager stated that the record of R9 million that was mentioned on page 22 of the agenda was the recorded amount by the Municipality, which was submitted.

Cllr Dladla requested that Council should adhere to the resolutions taken and should all agree to apologise to the MEC. He added that should the MEC need more information, then same should be directed to the MPAC for further scrutiny and same should report to Council. He added that the concern that was raised regarding no quorum for MPAC, should be investigated that the MPAC should be strengthened.

The Speaker stated that she would attend to the non-sitting of the Portfolio Committees as well MPAC which played a vital role in the Council. She added that should there be a need to replace Councillors who were not able to attend meetings, same would be replaced in order to ensure there was no issue of quorum. She further requested the Secretariat Unit to submit to the Office of the Speaker the attendance reports of all members of the Committees.

Thereafter, the Committee agreed on adhering to the recommendations.

Following discussion,

It was

RESOLVED:

- (a) That the correspondence from the MEC for CoGTA is hereby **NOTED**.
- (b) That, it be noted that the report referred to in Clause 2/3 was reported to Council on 23 November 2017.
- (c) That the attached response in relation to the Circular be forwarded to the MEC.
- (d) That the Municipal Manager report on a quarterly basis on Consequence Management for Senior Officials as per the MEC's directive.
- (e) That the Secretariat Unit be and is hereby tasked to submit the Attendance Reports of Councillors for meetings to the Office of the Speaker.

C 29/02/19 IN-COMMITTEE MATTERS

It was noted that there were none.

C 30/02/19 CLOSURE

There being no further items for discussion, the Speaker declared the meeting closed at 12h10.

CHAIRPERSON: -----

DATE : -----