

UGU DISTRICT MUNICIPALITY

**MINUTES OF THE SPECIAL MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL
HELD IN THE COUNCIL CHAMBERS, HIBISCUS COAST MUNICIPALITY,
10 CONNOR STREET, PORT SHEPSTONE, ON THURSDAY, 09 JUNE 2016,
AT 10H00.**

PRESENT:

Cllr SB Cele - Speaker

Cllrs MA Chiliza (Exco Member), IM Mavundla (Exco Member), MA Manyoni, JS Mbutuma (Exco Member), Dr SG Nyawuza (Exco Member), TM Cele, YL Duma, TN Dzingwa, MB Gavu, ST Gumede, GD Henderson, SA Khawula, BE Machi, NA Madlala, MA Manyoni, ZA Mhlongo, MJ Mkhize, NP Mpanza, TD Mthuli, NY Mweshe, Y Nair, DH Njoko, VL Ntanza, FB Shezi, D Snashall, MG Sonwabo and J van Vuuren.

ALSO PRESENT:

Inkosi NV Mbotho
Inkosi BS Nzimakwe
Inkosi MBW Xolo
Inkosi ZGB Msomi

IN ATTENDANCE:

Ms VP Tsako	-	Acting Municipal Manager
Ms S Mbili	-	General Manager: Treasury
Ms Z Mbonane	-	General Manager: Infrastructure and Economic Development (IED)
Mr P Watson	-	Acting General Manager: Water Services
Ms F Mbili	-	Senior Manager: Corporate Strategy and Shared Services
Mr F Zama	-	Senior Manager: Mayoralty and Communications
Ms Z Dlamini	-	Manager: Internal Audit
Ms MS Olivier	-	Manager: Legal Services
Ms N Surajbally	-	Administrative Officer

• **OPENING**

The Speaker requested the Acting General Manager: Water Services to open the meeting in prayer.

Thereafter, he welcomed all to the meeting.

He informed members that on Monday, 27th June 2016 the State of the District Address would be held and that all Councillors and Amakhosi were invited to same.

He pointed out that Councillors and Amakhosi would receive formal invites in due course.

C 126/06/16 NOTICE OF MEETING

The notice of meeting was taken as read.

C 127/06/16 APPLICATIONS FOR LEAVE OF ABSENCE

It was noted that Cllrs NH Gumede (*indisposed*), NF Shusha (*indisposed*), SM Zuma (*family commitment*), E Moosa Bux (*indisposed*) and MPL Zungu (*council business*) had requested leave of absence from the meeting.

It was also noted that Inkosi RS Shinga had requested leave of absence from the meeting.

It was further noted that Cllr MA Chiliza requested to leave the meeting at 10h45 due to other council business; however the Speaker assured him that the meeting would be over by then.

From the Management component, it was noted that the Municipal Manager (*council business*) and the General Manager: Water Services (*leave*) had requested leave of absence from the meeting.

It was noted that the Senior Manager: Water Services Operations was representing the General Manager: Water Services.

Following which,

It was unanimously

RESOLVED:

- (a) That Cllrs NH Gumede (*indisposed*), NF Shusha (*indisposed*), SM Zuma (*family commitment*), E Moosa Bux (*indisposed*) and MPL Zungu (*council business*) be and are hereby granted leave of absence from the meeting.
- (b) That Inkosi RS Shinga be and is hereby granted leave of absence from the meeting.
- (c) That from the Management component, it was noted that the Municipal Manager (*council business*) and the General Manager: Water Services (*leave*) be and is hereby granted leave of absence from the meeting.

C 128/06/16 DECLARATION OF INTEREST

It was noted that there were none.

C 129/06/16 CONFIRMATION OF AGENDA

The Speaker took members through the confirmation of the agenda.

Cllr Ntanza moved for the acceptance of the agenda and was seconded by Cllr Sonwabo.

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 130/06/16 Amendment of Notice Issued in terms of S12 of the Municipal Structures Act

The Speaker took members through the item.

He briefly explained to members that the rationale of the report was to apprise Council of the Notice issued in terms of S12 of the Municipal Structures Act, which had been published by the MEC for Co-Operative Governance and Traditional Affairs; for comments by Municipalities.

Giving members a background to the item, he mentioned that pursuant to the Municipal Demarcation Board's redetermination of the municipal boundaries, the MEC of Co-operative Governance and Traditional Affairs had issued the Notice in terms of S12 of the Structures Act, and same was disseminated to Municipalities for comment.

He mentioned that the comments period expired on 09 June 2016. He pointed out that the Office of the Municipal Manager had requested clarity and extension of the date by which comments were to be made.

He further pointed out that Ugu District Municipal Council was determined to consist of thirty five (35) Councillors, represented as follows:

- Fourteen (14) proportionally elected Councillors
- Four (4) Councillors appointed from Umdoni Municipality
- Four (4) Councillors appointed from Umzumbe Municipality

- Three (3) Councillors appointed from Umuziwabantu Municipality
- Ten (10) Councillors appointed from Ray Nkonyeni Municipality

In terms of the draft Notice, he mentioned that the Ugu District Municipal Council was designated to have the following fulltime Councillors:

- Speaker
- Mayor
- Deputy Mayor
- Five (5) Executive Committee Members

He said that the Notice was also meant to be tabled at each Municipality's sitting of Council in order to solicit comments from Council, for transmission to CoGTA.

Following which,

It was unanimously

RESOLVED:

- (a) That the report regarding the Amendment of Notice Issued in terms of S12 of Municipal Structures Act be and is hereby **NOTED**.
- (b) That the Amendment of the Notice Issued in terms of S12 of the Municipal Structures Act with particular emphasis on Part 2 be and is hereby **NOTED**.
- (c) That, it be noted that the Ugu District Municipal Council had no input with regards to Part 2 of the Amendment of Notice Issued in terms of S12 of the Municipal Structures Act.

C 131/06/16 Technical Adjustments Budget 2015/2016

The General Manager: Treasury took members through the item.

She informed members that the objective of the report was to seek approval of the Technical Adjustments Budget 2015/2016.

She pointed out that Section 28(1) of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, stated that a Municipality may revise an approved annual budget through an adjustments budget.

She referred members to page 67 and advised that with regard to Sources of Funding – Capital Budget, the amount for the 2nd Adjustment Budget 2015/2016 in terms of Total Government Grants and Subsidies should be amended to read as R376 130 866.

She also referred members to the Capital Replacement Reserve (Own Funds) and advised that the amount for the 2nd Adjustment Budget 2015/2016 should read as R419 421 813.

She pointed out that a grant for an amount of R3 million was received from the Department of Water and Sanitation.

Furthermore, she reported that the budget for the maintenance of fleet had to increase.

Moreover, she reported that the budget for fuel had to also increase.

She pointed out that the above increases were indeed crucial in order to prevent the Municipality from incurring unauthorized expenditure.

After questions of clarity were answered, Cllr Snashall moved for the acceptance of the recommendations and was seconded by Cllr Henderson.

Following which,

It was unanimously

RESOLVED:

- (a) That the report on the Technical Adjustments Budget 2015/2016 be and is hereby **NOTED**.
- (b) That the Technical Adjustments Budget 2015/2016 be and is hereby **ADOPTED**, as set out in the following schedules:
 - Table B1 Budget Summary;
 - Table B2 – Budget Financial Performance (Standard Classification);
 - Table B3 – Budget Financial Performance (Revenue & Expenditure by Municipal Vote);
 - Table B4 – Budget Financial Performance (Revenue & Expenditure);
 - Table B5 – Capital Expenditure Budget by Vote and Funding;
 - Table B6 – Budget Financial Position;
 - Table B7 – Budget Cash Flow;
 - Table B8 – Cash backed Reserves / Accumulated Surplus Reconciliation;
 - Table B9 – Asset Management;
 - Table B10 – Basic Service Delivery Measurement; and
 - Other Supporting Tables (Table SB1–SB19)

C 132/06/16 Business Continuity Plan

The Speaker took members through the item.

He mentioned that one of the findings by the AG was the unavailability of an up to date Business Continuity Plan. He pointed out that the said Plan was developed in order to address the finding.

He said that the Business Continuity Plan was developed by a service provider and that the said Plan touched on IT Policies, Back Up Systems and Health and Safety Policies. He pointed out that the said Plan outlined what to do in the case of a disaster.

Cllr Snashall sought clarity as to how much was the Consultant paid to develop the said Plan.

In response, the Senior Manager: Corporate Strategy and Shared Services informed Council that the service provider was paid an amount of R60,000.00 and that the said amount included a Business Impact Analysis (BIA) which was conducted with the Departments separately.

Cllr Snashall referred members to page 77, No. 5 Assumptions and sought clarity if same looked at the possible industrial unrest.

In response, the Senior Manager: Corporate Strategy and Shared Services advised Council that the Business Continuity Plan looked more at disasters such as a fire, tsunami and so forth.

Ensuing discussion,

It was unanimously

RESOLVED:

- (a) That the report regarding the Business Continuity Plan be and is hereby **NOTED**.
- (b) That the Business Continuity Plan be and is hereby **APPROVED**.

C 133/06/16 CLOSURE

There being no further items for discussion, the Speaker declared the meeting closed at 10h25.

CHAIRPERSON: -----

DATE : -----