

UGU DISTRICT MUNICIPALITY

**MINUTES OF THE 20th MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL
HELD AT THE COUNCIL CHAMBERS, RAY NKONYENI MUNICIPALITY,
10 CONNOR STREET, PORT SHEPSTONE, ON THURSDAY, 24 AUGUST 2023, AT
11H10.**

Cllr SR Ngcobo - Speaker

IS Mqadi (Mayor), VM Chiya (Deputy Mayor), D Nciki (Exco Member), GD Henderson (Exco Member), SN Caluza (Exco Member), MP Shoji, P Breedt, TT Hlophe, SE Khawula, BE Machi, MA Manyoni, NO Mazubane, SD Mdluli, SEH Mngoma, NY Mweshe, PZ Mzindle, N Ndovela, N Ndadane, FM Ngwane, X Nkasa, SP Ntuli, B Nyuswa, J Schmidt, PC Shange, BN Shoji, MV Vezi and LS Zungu

BY INVITATION:

Inkosi MBW Xolo

IN ATTENDANCE:

Mr VO Mazibuko	-	Acting Municipal Manager
Mr K Audan	-	General Manager: Budget and Treasury Office
Ms D Rankin	-	General Manager: Economic Development and Environmental Services (EDES)
Ms M Gobhozi	-	Acting General Manager: Corporate Services
Mr S Malinga	-	Acting General Manager: Water Services
Ms F Mbili	-	Senior Manager: Corporate Strategy and Shared Services
Mr F Zama	-	Senior Manager: Mayoralty and Communications
Ms N Mbambo	-	Manager: Legal Services
Mr S Kati	-	Chief Auditor Executive
Ms Z Maphumulo	-	Manager: Assets Management
Ms NP Gumbi	-	Manager: Human Resources
Ms N Surajbally	-	Administrative Officer: Secretariat Unit
Mr S Madonsela	-	Committee Clerk
Ms A Mnisi	-	Committee Clerk

• OPENING

The Speaker extended a warm welcome to all present. He then requested Cllr Mweshe to open the meeting in prayer.

NOTICE OF MEETING

The notice of the meeting was taken as read.

C 285/08/23

APPLICATIONS FOR LEAVE OF ABSENCE

It was noted that Cllrs SA Ngcece (*council business*), ST Khathi (*sick*), SN Caluza (*road blocked*), JS Ngwane (*council business*), SP Mthethwa (*political commitment*), MP Tenza (*political commitment*) and TH Msabala (*political commitment*) had requested leave of absence from the meeting.

It was also noted that Cllr MV Vezi would join the meeting late.

It was further noted that Cllr SN Caluza as well as the Acting General Manager: Corporate Services had joined the meeting via the Hybrid Platform.

Following which,

It was unanimously

RESOLVED:

(a) That Cllrs SA Ngcece (*council business*), ST Khathi (*sick*), SN Caluza (*road blocked*), JS Ngwane (*council business*), SP Mthethwa (*political commitment*), MP Tenza (*political commitment*) and TH Msabala (*political commitment*) be and are hereby **GRANTED** leave of absence from the meeting.

(b) That, it be **NOTED** that Cllr SN Caluza and the Acting General Manager: Corporate Services had joined the meeting via the Hybrid Platform.

(c) That, it be **NOTED** that Cllr MV Vezi would join the meeting late.

[At that stage of the proceedings, the Speaker informed both Council and Management that his Personal Assistant (PA), Mr S Buthelezi had joined the Policy and Research Unit and that Mr Sibusiso Mthembu was now his Personal Assistant (PA).]

C 286/08/23

DECLARATION OF INTEREST

It was noted that there were none.

C 287/08/23

CONFIRMATION OF AGENDA

The Speaker took members through the confirmation of the agenda.

It was noted that the Agenda Pack consisted of the Main Agenda, the In-Committee Agenda, the First Addendum, the Second Addendum as well as Item 8.4 and that all the Councillors had received the Agenda Pack timeously.

Thereafter, Cllr Khawula moved for the adoption of the Agenda and was seconded by Cllr FM Ngwane.

Following which,

It was

RESOLVED:

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

CONFIRMATION OF MINUTES

Minutes of the 19th Meeting of the Ugu District Municipal Council held on 27 July 2023

The Speaker took members through the confirmation of the minutes for the 19th meeting of the Ugu District Municipal Council held on 27 July 2023.

Thereafter, Cllr SP Ntuli moved for the acceptance of the minutes and was seconded by Cllr SE Khawula.

Following which,

It was

RESOLVED:

That the minutes of the 19th Meeting of the Ugu District Municipal Council held on 27 July 2023 be and are hereby **CONFIRMED**.

RESOLUTIONS REGISTER

Resolutions Register for the 19th Meeting of the Ugu District Municipal Council held on 27 July 2023

The Speaker took members through the Resolutions Register for the 19th Meeting of the Ugu District Municipal Council held on 27 July 2023.

Following which,

It was

RESOLVED:

That the Resolutions Register for the 19th Meeting of the Ugu District Municipal Council held on 27 July 2023 be and is hereby **NOTED**.

OUTSTANDING MATTERS

It was noted that there were none.

STANDING ITEMS

Status on Covid-19 Cases

It was noted that there was no report.

C 292/08/23

Monthly Birthday Greetings: Councillors, Amakhosi and Senior Managers

The Speaker conveyed birthday wishes on behalf of Council to the following Councillors who celebrated their birthdays during the month of August, namely:

- | | | |
|--------------------------------------------------------------------|---|----------------|
| • Inkosi MP Ngcobo | - | 04 August |
| • Cllr MP Shoji | - | 17 August |
| • Cllr PZ Mzindle | - | 23 August |
| • General Manager: Budget and Treasury Office | - | 14 August; and |
| • General Manager: Economic Development and Environmental Services | - | 16 August |

Following which,

It was unanimously

RESOLVED:

That the Monthly Birthday Greetings for Councillors, Amakhosi and Senior Managers be and is hereby **NOTED**.

C 293/08/23

Water Supply Status Quo Report

The Acting Municipal Manager introduced the item.

Taking over, the Mayor stated that there was a community protest in the Izingolweni Area which was followed by a meeting between the community and the Ugu District Municipality whereby both the parties had agreed on various matters and found solutions.

He added that the Acting General Manager: Water Services was working on same to ensure that the Municipality had delivered on what was agreed upon. He mentioned that there would be a follow up meeting convened to ensure that the said community received water.

Moreover, he stated that there was another community protest in the Oshabeni Area, which was attended to by the Deputy Mayor to address the protesters. However, he mentioned that the said Community was still adamant to continue with the protest until their demands were met. With regards to the KwaMadlala area, he mentioned that the issues had been resolved and that the said community was now receiving water. He stated that a call was received from the community of the KwaXolo area to express appreciation to the Ugu District Municipality for addressing their concerns regarding water in the said area. He emphasised that most of the water challenges were because of the mechanical failures due to ageing infrastructure. He appreciated all the Councillors for their quick responses to the issues, whenever same had occurred.

The Deputy Mayor requested that the Acting General Manager: Water Services should be given an opportunity to outline to Council on the most important issues regarding the water supply status.

Taking over, the Acting General Manager: Water Services highlighted the status in the following areas, namely:

- Area South Central;
- Area South;
- Area North; and
- Area Southwest

Cllr Mdluli appreciated the report and stressed his concern with regards to the ageing municipal water supply infrastructure. Furthermore, he stated that the Ugu District Municipality should develop a plan to address same. With regards to the boreholes, he sought clarity on whether the water tankers were still being allocated to the areas which had boreholes installed.

Cllr Henderson sought clarity on how many mega litres of water were being produced at the Bhobhoyi Plant. He stressed his concern that the 65 mega litres pumped by the Municipality was not sufficient to cover all the areas.

The Speaker raised his concern and stated that the members of the Executive Committee should be aware that they were responsible for reporting to Council due to some of the questions asked by the Executive Committee member.

In addition, the Acting General Manager: Water Services informed members that there was a plan in place to address the issue of the ageing infrastructure especially pertaining to the pipe replacement. He added that there were business plans submitted and approved by the Department of Water and Sanitation. Furthermore, he mentioned that the allocation of the water tankers depended on the Councillors to identify the hotspot areas. With regards to the Bhobhoyi Plant, he stated that the design capacity of the said plant was 81 mega litres but currently the Municipality produced a maximum of 71 mega litres, which was pushed up to 81 mega litres during the peak hours.

Following discussion,

It was

RESOLVED:

That the report on the Water Supply Status Quo be and is hereby **NOTED**.

SALGA Monthly Report

Determination on Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils

The Speaker took members through the item.

Cllr MP Shoji moved for the acceptance of the recommendations and was seconded by Cllr Machi.

Following which,

It was

RESOLVED:

- (a) That the report on the Determination of Upper Limits of Salaries, Allowances and Benefits of Different Members of Municipal Councils be and is hereby **NOTED**.
- (b) That the implementation of provisions of Gazette No. 49142 on the Determination on Upper Limits of Salaries, Allowance, and Benefits of different municipal councils at 100% for Ugu District Municipal Council be and is hereby **APPROVED**.
- (c) That the provisions of Gazette No. 49142 on the Determination on Upper Limits of Salaries, Allowance, and Benefits of Different Municipal Councils be and is hereby **APPROVED** for onward submission to the MEC for concurrence for the implementation by the Municipality with effect from 01 July 2022.

SECTION 79 REPORTS

C 295/08/23 Minutes of the 10th Meeting of the Municipal Public Accounts Committee (MPAC) held on 21 July 2023

The Speaker took members through the minutes of the 10th meeting of the Municipal Public Accounts Committee (MPAC) held on 21 July 2023.

Following which,

It was

RESOLVED:

That the minutes of the 10th meeting of the Municipal Public Accounts Committee (MPAC) held on 21 July 2023 be and is hereby **NOTED**.

C 296/08/23 Report on the MPAC Annual Work Plan 2023/2024

The Speaker took members through the item.

Cllr Khawula moved for the acceptance of the recommendations and was seconded by Cllr Mzindle.

Following which,

It was

RESOLVED:

- (a) That the report on the MPAC Annual Work Plan 2023/2024 be and is hereby **NOTED**.

- (b) That the MPAC Annual Work Plan 2023/2024 be and is hereby **APPROVED**.

MATTERS FOR DISCUSSION

Monthly Budget Statements: July 2023

The Speaker took members through the item.

Cllr Khawula moved for the acceptance of the recommendations and was seconded by Cllr Manyoni.

Following which,

It was

RESOLVED:

- (a) That the report on the Monthly Budget Statements for the month of July 2023 be and is hereby **NOTED**.
- (b) That the Monthly Budget Statement for the month of July 2023 and the supporting documents be submitted to both Provincial and National Treasury in both electronic and hard copies.

SCM Monthly Performance Report: July 2023

The Speaker took members through the item.

Cllr Machi moved for the acceptance of the recommendations and was seconded by Cllr Mngoma.

Following which,

It was

RESOLVED:

That the SCM Monthly Performance Report as at July 2023 be and is hereby **NOTED**.

Write-Off of Ugu District Municipality Immovable Assets

The Speaker took members through the item.

Cllr Manyoni moved for the acceptance of the recommendations and was seconded by Cllr FM Ngwane.

Following which,

It was

RESOLVED:

- (a) That the report regarding the immovable assets of Ugu District Municipality to be written-off be and is hereby **NOTED**.
- (b) That the immovable assets of Ugu District Municipality to be written-off be and is hereby **APPROVED**.
- (c) That the background history of this item be **NOTED**.
- (d) That the assets to be written-off because they were not found on site during the physical verification be **NOTED**.
- (e) That the assets to be written-off because the said assets needed to be moved to Infrastructure FAR from Buildings FAR or written-off completely be **NOTED**.
- (f) That the immovable assets to be written-off because they were duplicated line items in the fixed asset register be **NOTED**.
- (g) That the total assets as per the list of immovable assets to be written-off and removed from the Ugu District Municipality Asset Register be **NOTED**.

C 300/08/23

Cost Containment Report

The Speaker took members through the item.

Cllr Nyuswa moved for the acceptance of the recommendations and was seconded by Cllr Mazubane.

Following which,

It was

RESOLVED:

That the Cost Containment Report be and is hereby **NOTED**.

C 301/08/23

Assessment of the 2023/2024 Annual Budget Tabled ITO Section 16(2) and the 2023/2024 Budget Approved in terms of Section 24 of the Municipal Finance Management Act, Act No. 56 of 2003 (MFMA)

The Speaker took members through the item.

Cllr Mweshe moved for the acceptance of the recommendations and was seconded by Cllr Ntuli.

Following which,

It was

RESOLVED:

- (a) That the report on the Assessment of the 2023/2024 Annual Budget Tabled ITO Section 16(2) and the 2023/2024 Budget Approved in terms of Section 24 of the Municipal Finance Management Act, Act No. 56 of 2003 (MFMA) be and is hereby **NOTED**.
- (b) That the Letter from the Provincial Treasury on the Assessment of the 2023/2024 Annual Budget Tabled ITO Section 16(2) and the 2023/2024 Budget Approved in terms of Section 24 of the Municipal Finance Management Act, Act No. 56 of 2003 (MFMA) be and is hereby **NOTED**.

C 302/08/23

Umtamvuna Electrical Power Upgrade Progress Report

His Worship, the Mayor took members through the item.

He gave members a progress update on the Umtamvuna Electrical Power Upgrade.

He reported that the CPA had a meeting on the 9th of August 2023; where amongst their items, the issue of the Umtamvuna power was discussed.

He pointed out that the CPA Executive Committee had agreed in principle that the Umtamvuna Power Upgrade must commence.

He then referred members to page 227 of the Agenda; and informed Council of the letter; whereby the said letter clearly stated that the CPA had resolved to grant permission to Eskom Eastern Cape to go ahead with the programme of electrification (upgrade) of the Umtamvuna Water Treatment Works.

He said that the next stage was for Ugu District Municipality to attend all the meetings as planned.

Following which,

It was

RESOLVED:

That the progress report on the Umtamvuna Electrical Power Upgrade be and is hereby **NOTED**.

C 303/08/23

Report on Water Quality Monitoring in the Ugu District

The Speaker took members through the item.

Cllr Ndovela moved for the acceptance of the recommendations and was seconded by Cllr Hlophe.

Following which,

It was

RESOLVED:

That the report on the Water Quality Monitoring in the Ugu District be and is hereby **NOTED**.

C 304/08/23

Sanitation Infrastructure Maintenance: Condition, Challenges and Interventions

The Acting General Manager: Water Services took members through the Sanitation Infrastructure Maintenance: Condition, Challenges and Interventions.

Commenting, Cllr Breedt requested that water and sanitation should be split in order for the issue of sanitation to be addressed thoroughly. He pointed out that currently, the Committee only spent 2% of their time on the sanitation issues; yet the issues of sanitation were a very serious concern in the Ugu District.

In response, the Speaker appealed to the members of the Portfolio Committee on Water and Sanitation to ensure that the issue of sanitation was dealt with thoroughly at the meetings of the said Portfolio Committee. He pointed out that there was no need to split the water and sanitation issues by having different Portfolio Committees.

Following which,

It was

RESOLVED:

- (a) That the report regarding the WWTW and Sanitation Pumpstations be and is hereby **NOTED**.
- (b) That the report on the equipment failures that had caused sewage spillages from pumpstations and discharge of non-compliant final effluent to sensitive estuary and marine environment be and is hereby **NOTED**.
- (c) That the report on the incidents occurring which are in branch of applicable legislations and specific to environment: section 30(1)(a) of NEMA, an incident means an unexpected sudden occurrence which affects the environment be hereby **NOTED**.

- (d) That the report on the funding requirements and resources that will ensure that all WWTW and Sanitation Pumpstations are properly maintained be hereby **NOTED**.

C 305/08/23

Business Plan for the Upgrade of Scottburgh Sewer Reticulation System

The Speaker took members through the item.

He stated that the rationale of the report was to apprise the Committee on the Business Plan for the Upgrade of the Scottburgh Sewer Reticulation System.

Cllr Zungu moved for the acceptance of the recommendations and was seconded by Cllr FM Ngwane.

Following which,

It was

RESOLVED:

- (a) That the report on the Business Plan for the Upgrade of Scottburgh Sewer Reticulation System be and is hereby **NOTED**.
- (b) That the Business Plan for the Upgrade of Scottburgh Sewer Reticulation System be and is hereby **APPROVED**.

C 306/08/23

Business Plan for the Refurbishment and Upgrade of Margate Wastewater Treatment Works and Effluent Main

The Speaker took members through the item.

He stated that the objective of the report was to apprise the Committee on the Business Plan for the Refurbishment and the Upgrade of the Margate Wastewater Treatment Works and Effluent Main.

Cllr Nyuswa moved for the acceptance of the recommendations and was seconded by Cllr Mzindle.

Following which,

It was

RESOLVED:

- (a) That the report on the Business Plan for the Refurbishment and the Upgrade of the Margate Wastewater Treatment Works and Effluent Main be and is hereby **NOTED**.
- (b) That the Business Plan for the Refurbishment and the Upgrade of the Margate Wastewater Treatment Works and Effluent Main be and is hereby **APPROVED**.

C 307/08/23

Business Plan for the Planning Studies on the Upgrade of Willowglen Water Pump Station, Bulk Water Pipelines and Storage Reservoirs at Amahlongwa

The Speaker took members through the item.

He stated that the rationale of the report was to apprise the Committee on the Business Plan for the Planning Studies on the Upgrade of the Willowglen Water Pump Station, Bulk Water Pipelines and Storage Reservoirs at Amahlongwa.

Cllr Schmidt moved for the acceptance of the recommendations and was seconded by Cllr Ndadane.

Following which,

It was

RESOLVED:

- (a) That the report on the Business Plan for the Planning Studies on the Upgrade of the Willowglen Water Pump Station, Bulk Water Pipelines and Storage Reservoirs at Amahlongwa be and is hereby **NOTED**.
- (b) That the Business Plan for the Planning Studies on the Upgrade of the Willowglen Water Pump Station, Bulk Water Pipelines and Storage Reservoirs at Amahlongwa be and is hereby **APPROVED**.

C 308/08/23

Business Plan for the Upgrade of the Scottburgh Wastewater Treatment Works

The Speaker took members through the item.

He stated that the rationale of the report was to apprise the Committee on the Business Plan for the Upgrade of the Scottburgh Wastewater Treatment Works.

Cllr Mdluli moved for the acceptance of the recommendations and was seconded by Cllr FM Ngwane.

Following which,

It was

RESOLVED:

- (a) That the report on the Business Plan for the Upgrade of the Scottburgh Wastewater Treatment Works be and is hereby **NOTED**.
- (b) That the Business Plan for the Upgrade of the Scottburgh Wastewater Treatment Works be and is hereby **APPROVED**.

MATTERS FOR CONSIDERATION FROM COMMITTEES

Extracts from the Minutes of the Executive Committee held on 16 August 2023
War on Leaks Programme

C 309/08/23

The Speaker took members through the item.

Cllr Khawula moved for the acceptance of the recommendations and was seconded by Cllr MP Shози.

Following which,

It was

RESOLVED:

- (a) That the report on the War on Leaks Programme be and is hereby **NOTED**.
- (b) That the Programme be implemented through the Department of Cooperative Governance and Traditional Affairs – Municipal Infrastructure.
- (c) That, it be **NOTED** that the KZN COGTA would cover the procurement of Tools of Trade, PPEs, Material, Labour Costs, COIDA & UIF.
- (d) That, it be **NOTED** that Participants would be monitored in collaboration with the benefitting Municipalities and that the Programme does not replace or take over the mandate of Municipalities in dealing with water losses.

C 310/08/23

Request for the Waiver of Tariff of Charges for Ugu Sport and Leisure Centre

The Speaker took members through the item.

Cllr Machi moved for the acceptance of the recommendations and was seconded by Cllr Mazubane.

Following which,

It was

RESOLVED:

- (a) That the report regarding the request for the Waiver of Tariff of Charges for the Ugu Sport and Leisure Centre be and is hereby **NOTED**.
- (b) That the permission for the waiver of tariff of charges for the Ugu Sport and Leisure facility for staging this event be and is hereby **GRANTED**.
- (c) That the water access points be made available at the venue for the duration of the event.

C 311/08/23

2024/2025 Final Draft IDP, PMS Framework and Process Plan

The Speaker took members through the item.

Cllr Schmidt moved for the acceptance of the recommendations and was seconded by Cllr Ntuli.

Following which,

It was

RESOLVED:

- (a) That the report regarding the 2024/2025 Final Draft IDP, PMS Framework and Process Plan be and is hereby **NOTED**.
- (b) That the 2024/2025 Final Draft IDP, PMS Framework and Process Plan be and is hereby **ADOPTED**.

MINUTES FROM COMMITTEES

C 312/08/23

Minutes of the 18th Meeting of the Executive Committee held on 19 July 2023

The Speaker took members through the minutes of the 18th Meeting of the Executive Committee held on 19 July 2023.

Following which,

It was

RESOLVED:

That the Minutes of the 18th Meeting of the Executive Committee held on 19 July 2023 be and is hereby **NOTED**.

URGENT MATTERS

C 313/08/23

Policy Learning Workshop on Municipal Policies

The Speaker informed Council that a Policy Learning Workshop on the Municipal Policies was scheduled for Thursday, 30 August 2023 in the Council Chambers, Ray Nkonyeni Municipality, and that all the Councillors would have received an invitation to the said Workshop.

Commenting, Cllr Ntuli pointed out with concern that the USB that was given to the Councillors, the Councillors from the Ray Nkonyeni Municipality could not retrieve the Policies on their devices. She requested that the Policies should be put in a Link and that the said Link should then be e-mailed to the Councillors.

Following which,

It was unanimously

RESOLVED:

- (a) That the verbal report on the Policy Learning Workshop on Municipal Policies be and is hereby **NOTED**.
- (b) That, it be **NOTED** that the USB given to the Councillors from the Ray Nkonyeni Municipality could not be retrieved on their devices; instead the Policies be put in a Link and that the said Link then be e-mailed to the Councillors.

[At that stage of the proceedings, Cllr Machi moved for the meeting to move in-committee and was seconded by Cllr Schmidt.]

IN-COMMITTEE MATTERS

In-Committee Minutes of the meeting of the Ugu District Municipal Council held on 27 July 2023

The Speaker took members through the In-Committee Minutes of the meeting of the Ugu District Municipal Council held on 27 July 2023.

Following which,

It was

RESOLVED:

That the In-Committee Minutes of the meeting of the Ugu District Municipal Council held on 27 July 2023 be and is hereby **NOTED**.

In-Committee Minutes of the Special Meeting of the Municipal Public Accounts Committee (MPAC) held on 20 June 2023

The Speaker took members through the In-Committee Minutes of the special meeting of the Municipal Public Accounts Committee (MPAC) held on 20 June 2023.

Following which,

It was

RESOLVED:

That the In-Committee Minutes of the special meeting of the Municipal Public Accounts Committee (MPAC) held on 20 June 2023 be and is hereby **NOTED**.

Investigation Report: Fruitless and Wasteful Expenditure as at 31 March 2023

The Chairperson of the Municipal Public Accounts Committee (MPAC) took members through the item.

Cllr MP Shoji moved for the acceptance of the recommendations and was seconded by Cllr Nciki.

Following which,

It was

RESOLVED:

That the following Fruitless and Wasteful Expenditure be and is hereby **WRITTEN OFF:**

No.	Finding	Value
1	Interest on Eskom	R912 842.83
2	Interest on Umuziwabantu	R96.08
3	Interest on TJ Architects	R9 879.03
4	Interest on Auditor-General	R77 134.77
5	Interest Eden Wilds	R5 522.10
6	Interest on Foster Attorneys	R18 493.51
7	Interest on Zeller Jankey Attorneys	R22 819.87
8.	Interest on CCG System	R404.71
	Total	R1 047 192.90

C 317/08/23 Investigation Report: Fruitless and Wasteful Expenditure as at 31 March 2023 to 30 June 2023

The Chairperson of the Municipal Public Accounts Committee (MPAC) took members through the item.

Cllr MP Shoji moved for the acceptance of the recommendations and was seconded by Cllr Nciki.

Following which,

It was

RESOLVED:

That the following Fruitless and Wasteful Expenditure be and is hereby **WRITTEN OFF:**

No.	Finding	Value
1	Interest on Umngeni	R2 476 997.34
2	Interest on Eskom	R332 464.32
3	Interest on Auditor General	R60 234.23
4	Interest on Ray Nkonyeni	R6 162.69
5	Interest Umdoni	R3 968.35
6	Interest on Eden Wilds	R881.95
7	Interest on Umuziwabantu	R559.53
	Total	R2 881 268.41

C 318/08/23

Investigation Report on Unauthorised Expenditure as at June 2023

The Chairperson of the Municipal Public Accounts Committee (MPAC) took members through the item.

Cllr MP Shozi moved for the acceptance of the recommendations and was seconded by Cllr Henderson.

Following which,

It was

RESOLVED:

That the following Unauthorised Expenditure as at June 2023 be and is hereby **WRITTEN OFF:**

No.		2023	2022 Restated
	Description	Amount	Amount
1	Depreciation		R2 252 687
2	Employee Related (Overtime Related Expenditure)	R100 103 362	
3	Remuneration of Councillors	R369 770	
4	Contracted Services	R168 581 158	R10 252 401
5	Operational Costs	R59 615 904	
6	Finance Costs	R21 187 541	

7	Bulk Purchases	R12 717 814	
8	Transfers and Subsidies	R13 650 402	
9	Lease Rentals on Operation Lease	R7 950 545	R2 370
10	Impairment of Property, Plant and Equipment	R6 696 952	R3 370 741
11	Losses on Disposal	R6 993 558	R100 000
12	Actuarial Losses	R2 993 000	
13	Capital Expenditure	R14 718 687.45	
	Total	R415 578 693.45	R15 978 190

C 319/08/23

Investigation Report on Irregular Expenditure for the Period of May 2023 and June 2023

The Chairperson of the Municipal Public Accounts Committee (MPAC) took members through the item.

Cllr Nyuswa moved for the acceptance of the recommendations and was seconded by Cllr Hlophe.

Following which,

It was

RESOLVED:

That the following Irregular Expenditure for the Period of May 2023 and June 2023 be and is hereby **WRITTEN OFF**:

No.	Description	Amount
1	Irregular Expenditure Incurred due to non-compliance with SCM Regulation 29(2)	R17 184 499.14
2	Irregular Expenditure Incurred due to poor Contract Management	R624 915.75
3	Irregular Expenditure Incurred due to Non-Compliance resulting from poor internal controls	R104 952 064.27
4	Expenditure does not qualify as irregular expenditure – Procurement irregularities not identified	R2 972 701.34
	Total	R125 734 180.50

C 320/08/23

Investigation Report on Fruitless and Wasteful Expenditure for Outstanding Balances at Year-End

The Chairperson of the Municipal Public Accounts Committee (MPAC) took members through the item.

Cllr Nyuswa moved for the acceptance of the recommendations and was seconded by Cllr Hlophe.

Following which,

It was

RESOLVED:

That the following Fruitless and Wasteful Expenditure be and is hereby **WRITTEN OFF:**

No.	Description	Amount
1	Interest on Umgeni	R340 662.56
2	Interest on Diya Valves	R196 830.28
3	Interest on Eskom	R32 014.97
4	Interest on Auditor General	R10 874.79
5	Interest on Eden Wilds	R9 619.60
6	Interest on Ray Nkonyeni	R188.70
7	Interest on Umuziwabantu	R51.65
	Total	R590 242.55

C 321/08/23

Presentation of the Recruitment and Selection Plan for the Positions of the Ugu District Municipality Municipal Manager & General Manager: Water Services as well as the South Coast Tourism and Investment Enterprise (SCTIE) Board of Directors

The Speaker took members through the item.

Following which,

It was

RESOLVED:

That the Presentation of the Recruitment and Selection Plan for the Positions of the Ugu District Municipality Municipal Manager & General Manager: Water Services as

well as the South Coast Tourism and Investment Enterprise (SCTIE) Board of Directors be and is hereby **NOTED**.

C 322/08/23 Investigation Report on Unauthorised, Irregular, Fruitless and Wasteful Expenditure by Bonakude Consulting

The Chairperson of the Municipal Public Accounts Committee (MPAC) took members through the item.

Cllr Breedt moved for the acceptance of the recommendations and was seconded by Cllr BN Shozi.

Following which,

It was

RESOLVED:

(a) That the Investigation Report by Bonakude Consulting be and is hereby **NOTED** and **ACCEPTED**.

(b) That the following amounts be and are hereby **WRITTEN OFF**:

No.	Description	Amount
1	Southern Main Bulk Water Upgrade	R184 924 522.13
2	Southern Mains Water Bulk: Order No.3	R82 554 200.53
3	Esperanza Long-Term Bulk	R20 726 238.96
4	Replacement of Portion of 350MM Diameter rising from Harding Weza	R967 148.22
5	Esperanza Long-Term Water Bulk Supply Storage to Augment Bulk Water Capacity of Emalangen	R14 507 861.24
6	Emergency Civil Repairs and Maintenance of Infrastructure	R2 950 716.00
7	Emergency Civil Repairs and Maintenance of Infrastructure	R1 734 335.25
8	Emergency Civil Repairs and Maintenance of Infrastructure	R1 045 100.00
9	Emergency Civil Repairs and Maintenance of Infrastructure	R6 898 145.63
10	Emergency Civil Repairs and Maintenance of Infrastructure	R150 000.00
11	Emergency Civil Repairs and Maintenance of Infrastructure	R1 592 418.80

	Total	R318 050 686.76
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(c) That the following amount be and is hereby **WRITTEN OFF**:

No.	Description	Amount
1	Southern Mains Bulk Water Upgrade: Gamalakhe to Margate: Variation Order No.2	R59 885 100.00

- (d) That since the implicated officials were no longer in the employment of the Municipality, the matter be referred to the external agencies like SAPS to assist with the recovery process of the R59 885 100.00.
- (e) That further investigation be conducted on the Southern Mains Bulk Water Upgrade: Gamalakhe to Margate: Variation Order No.1 Contract amounting to R12 261 093.53 where there was no evidence of work done.
- (f) That the improper use of Section 36 deviations which does not meet the requirements, be condemned and that adequate training be provided to the SCM officials.
- (g) That Legal advice be solicited to guide Council to avoid possible litigations against the Municipality.

[At that stage of the proceedings, Cllr MP Shoji moved for the meeting to move out of committee and was seconded by Cllr FM Ngwane.]

C 323/08/23

DATE OF NEXT MEETING

It was noted that the date of the next meeting was scheduled for 28 September 2023.

C 324/08/23

CLOSURE

The Speaker thanked all members for their participation and contribution in the meeting.

There being no further items for discussion, the Speaker declared the meeting closed at 13h25.

CHAIRPERSON: ----- **DATE:** -----