

UGU DISTRICT MUNICIPALITY

**MINUTES OF THE 54TH MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL
HELD IN THE COUNCIL CHAMBERS, HIBISCUS COAST MUNICIPALITY,
10 CONNOR STREET, PORT SHEPSTONE, ON THURSDAY, 25 FEBRUARY 2016,
AT 11H10.**

PRESENT:

Cllr Y Nair - Acting Speaker

Cllrs NH Gumede (Exco Member), MA Chiliza (Exco Member), IM Mavundla (Exco Member), JS Mbutuma (Exco Member), Dr SG Nyawuza (Exco Member), E Moosa Bux, TM Cele, TN Dzingwa, JM Ndlela, MB Gavu, ST Gumede, GD Henderson, SA Khawula, NA Madlala, MA Manyoni, ZA Mhlongo, MJ Mkhize, MP Mtheshane, TD Mthuli, NY Mweshe, JM Ndlela, DH Njoko, VL Ntanza, D Snashall, FB Shezi, MG Sonwabo, J van Vuuren, SM Zuma and MPL Zungu.

ALSO PRESENT:

Inkosi NV Mbotho

BY INVITATION:

Mr WA Maree - Afriforum
Ms D Ludick - Ugu South Coast Tourism Entity
Mr N Duma - Ugu South Coast Development Agency

IN ATTENDANCE:

Mr DD Naidoo - Municipal Manager
Ms L Cele - General Manager: Water Services
Ms S Mbili - General Manager: Treasury
Ms VP Tsako - General Manager: Corporate Services
Ms F Mbili - Senior Manager: Corporate Strategy and Shared Services
Ms Z Dlamini - Manager: Internal Audit
Ms MS Olivier - Manager: Legal Services
Ms N Langa - Manager: Secretariat, Registry and Auxiliary Services
Ms N Surajbally - Administrative Officer

• **OPENING**

The Municipal Manager welcomed all to the meeting.

He informed Council that the Speaker was indisposed. He then invited nominations for an Acting Speaker.

Cllr Henderson proposed that Cllr Y Nair be elected as an Acting Speaker for the duration of the meeting and was seconded by Cllr Dzingwa.

There being no further nominations, Cllr Y Nair was elected as the Acting Speaker for the duration of the meeting.

The Acting Speaker welcomed all to the meeting.

He then requested Cllr Dr Nyawuza to open the meeting in prayer.

C 24/01/16 NOTICE OF MEETING

The notice of meeting was taken as read.

C 25/01/16 APPLICATIONS FOR LEAVE OF ABSENCE

It was noted that the Speaker (*indisposed*), Cllrs NF Shusha (*indisposed*), BE Machi (*council business*), MPL Zungu (*council business*), DH Njoko (*council business*) and MB Gavu (*council business*) had requested leave of absence from the meeting.

It was further noted that Cllrs ST Gumede and NY Mweshe had requested to be excused from the meeting at 11h30 in order to attend to other council business.

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

Following which,

It was unanimously

RESOLVED:

- (a) That the Speaker (*indisposed*), Cllrs NF Shusha (*indisposed*), BE Machi (*council business*), MPL Zungu (*council business*), DH Njoko (*council business*) and MB Gavu (*council business*) be and are hereby granted leave of absence from the meeting.
- (b) That, it be noted that Cllrs ST Gumede and NY Mweshe be excused from the meeting at 11h30 in order to attend to other council business.
- (c) That Inkosi BS Nzimakwe (*indisposed*) be and is hereby granted leave of absence from the meeting.

C 26/01/16 DECLARATION OF INTEREST

It was noted that there were none.

C 27/01/16 CONFIRMATION OF AGENDA

The Acting Speaker took members through the confirmation of the agenda.

The Municipal Manager advised Council that there was a First and a Second Addendum.

Following which,

It was unanimously

RESOLVED:

That the agenda convening the Ugu District Municipal Council meeting be and is hereby **CONFIRMED**; subject to the inclusion of the items listed on the First and Second Addendums.

CONFIRMATION OF MINUTES

C 28/01/16 Minutes of the 53rd Meeting of the Ugu District Municipal Council held on 28 January 2016

The Acting Speaker took members through the confirmation of the minutes.

Following which,

It was

RESOLVED:

That the Minutes of the 53rd Meeting of the Ugu District Municipal Council held on 28 January 2016 be and are hereby **CONFIRMED**.

MATTERS ARISING

C 29/01/16 Presentation by the Auditor-General of South Africa

The Municipal Manager informed Council that at the last meeting, the Auditor-General reported on two aspects namely:

- Regularity; and
- Performance Audit

He pointed out that some members believed that the Auditor-General could not express an opinion on the pre-determined objectives because the report was not reliable.

He emphasised that the Auditor-General did not give an opinion on the pre-determined objectives; however the Auditor-General still did an assessment on the pre-determined objectives.

He mentioned that if the Auditor-General had to express an opinion on the pre-determined objectives, it would have been an unqualified audit opinion.

Following which,

It was unanimously

RESOLVED:

That the clarity provided by the Municipal Manager regarding the Presentation by the Auditor-General of South Africa be and is hereby **NOTED**.

OUTSTANDING MATTERS

C 30/01/16 SALGA Monthly Report: Councillors Pension Fund

The Municipal Manager informed Council that he had written to SALGA advising that there were various issues with regard to the Councillors Pension Fund and that it would be most appropriate for the Pension Fund to do a presentation to Council.

He pointed out that he had done a follow-up on a monthly basis; however the Pension Fund did not respond positively as yet.

The Acting Speaker advised Council that a document was presented to the Council meeting of Hibiscus Coast Municipality and that the Municipal Manager should request a copy of the said document from the Hibiscus Coast Municipality and circulate same to all Councillors.

Following which,

It was unanimously

RESOLVED:

- (a) That, it be noted that the representatives from the Pension Fund did not respond positively as yet.
- (b) That, it be noted that a document was presented to the Council meeting of Hibiscus Coast Municipality and that the Municipal Manager should request a copy of the said document from the Hibiscus Coast Municipality and circulate same to all Councillors.
- (c) That the Municipal Manager continue pursuing a date from the Pension fund.

C 31/01/16 STANDING ITEMS

It was noted that there were none.

MATTERS FOR DISCUSSION

C 32/01/16 Ugu District Municipality: Adjustment Budget: 2015/2016

The Acting Speaker took members through the item.

Members noted that very little was spent on Special Programmes.

It was noted that in the month of June, money would be spent for Youth projects.

It was further noted that monies had been spent for World Aids Day; however some invoices were still pending.

It was further noted that there would be public participation and Izimbizo from March 2016 onwards.

Concerns were raised if the amount for Waste Water Management was adequate if one considered the Green Drop report.

It was noted that there was enough money set aside for maintenance.

Concerns were also raised with regard to the user charges, which amounted to R38 million per year; but if one checked the monthly financial figures, the Municipality received an amount of R30 000 000. Clarity was sought as to where the other R8 million was sourced from.

It was noted that there were months that were peak months i.e. April, June and December, which made up the R8 million.

Ensuing discussion,

It was unanimously,

RESOLVED:

- (a) That the Adjustment Budget of the Ugu South Coast Tourism for the financial year 2015/2016 be and is hereby **NOTED**.
- (b) That the Adjustment Budget of the Ugu South Coast Tourism for the financial year 2015/2016 be and is hereby **ADOPTED**, as set out in the following schedules:
 - Table E1- Budget Summary;
 - Table E2- Budget Financial Performance (Revenue &Expenditure);
 - Table E3- Capital Expenditure Budget by Vote and Funding;
 - Table E4- Budget Financial Position;
 - Table E5- Budget Cash Flow; and
 - Other Supporting Tables (Table SE1-SE7)

C 33/01/16 Ugu South Tourism Entity: Adjustment Budget: 2015/2016

The Acting Speaker took members through the item.

Following which,

It was unanimously,

RESOLVED:

- (a) That the Adjustment Budget of the Ugu South Coast Tourism for the financial year 2015/2016 be and is hereby **NOTED**.
- (b) That the Adjustment Budget of the Ugu South Coast Tourism for the financial year 2015/2016 be and is hereby **ADOPTED**, as set out in the following schedules:
- Table E1- Budget Summary;
 - Table E2- Budget Financial Performance (Revenue &Expenditure);
 - Table E3- Capital Expenditure Budget by Vote and Funding;
 - Table E4- Budget Financial Position;
 - Table E5- Budget Cash Flow; and
 - Other Supporting Tables (Table SE1-SE7)

C 34/01/16 Ugu South Coast Development Agency: Adjustment Budget: 2015/2016

The Acting Speaker took members through the item.

Following discussion and after questions of clarity had been answered,

It was unanimously,

RESOLVED:

- (a) That the Adjustment Budget of the Ugu South Coast Development Agency for the financial year 2015/2016 be and is hereby **NOTED**.
- (b) That the Adjustment Budget of the Ugu South Coast Development Agency for the financial year 2015/2016 be and is hereby **ADOPTED**, as set out in the following schedules:
- Table E1- Budget Summary
 - Table E2- Budget Financial Performance (Revenue &Expenditure)
 - Table E3- Capital Expenditure Budget by Vote and Funding
 - Table E4- Budget Financial Position
 - Table E5- Budget Cash Flow
 - Other Supporting Tables (Table SE1-SE7)

C 35/01/16 Monthly Budget Statement: November 2015

The General Manager: Treasury took members through the item.

Members referred to the Debtors Age Analysis on page 21 of the agenda and sought clarity as to why the Municipality was owed more in November in the 2015/16 financial year than in the November 2014/15 financial year.

In response, the General Manager: Treasury explained to members that same could be due to a combination of reasons.

She indicated that to arrest same, the Municipality was currently finalizing a data cleansing process.

Members referred to page 23 of the agenda and pointed out with concern as to why the Hibiscus Coast Municipality was one of the top ten organs of states owing so much of money to Ugu District Municipality.

It was noted that same was due to a dispute with the Clinics. He pointed out that there was a dispute as to who owned the property where the clinics were located on; but in the meantime the clinics were using water.

He said that there was a dispute that the owner of the property must pay for the water and not the Clinics.

The Acting Speaker requested that the Office of the Mayor and the officials needed to deal with the said issue.

Following which,

It was unanimously

RESOLVED:

- (a) That the Monthly Budget Statement for the month of November 2015 and the supporting documents as presented be and is hereby **NOTED**.
- (b) That the Monthly Budget Statement for the month of November 2015 and the supporting documents be submitted to both Provincial and National Treasury in both electronic and hard copies.

C 36/01/16 Monthly Budget Statement: October 2015

It was noted that the meeting dealt with the November 2015 Monthly Budget Statements given that same was the recent one; as a result the Monthly Budget Statement for October 2015 was noted.

Following which,

It was unanimously

RESOLVED:

- (c) That the Monthly Budget Statement for the month of October 2015 and the supporting documents as presented be and is hereby **NOTED**.

- (d) That the Monthly Budget Statement for the month of October 2015 and the supporting documents be submitted to both Provincial and National Treasury in both electronic and hard copies.

C 37/01/16 ITEMS FROM AMAKHOSI

It was noted that there were none.

EXTRACTS FROM COMMITTEES

Extract from the meeting of the Executive Committee held on 17 February 2016

C 38/01/16 ICT Disaster Recovery Plan Review

The Municipal Manager took members through the item.

Following which,

It was unanimously

RESOLVED:

- (a) That the ICT Disaster Recovery Plan Review be and is hereby **NOTED**.
- (b) That the Reviewed ICT Disaster Recovery Plan be and is hereby **ADOPTED**.

C 39/01/16 Long Term Office Accommodation Progress Report

The Municipal Manager took members through the item.

He informed Council that some money was set aside in this year's budget for the Council Chambers; however same would be attached to the Disaster Centre, which would then be used as a Joint Operations Centre (JOC) during a disaster. He said that same was due to the MIG, which could be funded over a period of three (3) years.

Following which,

It was unanimously

RESOLVED:

- (a) That the Progress Report on the Status of the Long Term Office Accommodation Project be and is hereby **NOTED**.
- (b) That the road closure and zoning change application for Portion 2 of the Erf 1708 Port Shepstone from Road Reserve to Administration be and is hereby **APPROVED**.

MINUTES FROM COMMITTEES

C 40/01/16

Minutes of the Meeting of the Executive Committee held on 25 November 2015

The Acting Speaker took members through the noting of the minutes.

After questions of clarity had been answered,

It was unanimously

RESOLVED:

That the minutes of the meeting of the Executive Committee held on 25 November 2015 be and is hereby **NOTED**.

C41/01/16

Minutes of the meeting of the Executive Committee held on 03 February 2016

The Acting Speaker took members through the noting of the minutes.

Concerns were raised with regard to the Mhlabatshane Dam; given that a report was outstanding from November 2015.

In response, the Acting Speaker advised Council that December 2015 and January 2016 was the recess period.

He mentioned that a report was submitted to the meeting of the Executive Committee in February 2016.

He emphasised that the said project was successful. He urged Councillors to visit the said project.

After questions of clarity had been answered,

It was unanimously

RESOLVED:

That the minutes of the meeting of the Executive Committee held on 03 February 2016 be and is hereby **NOTED**.

URGENT MATTERS

C42/01/16

Grant Funding for the Establishment of the Disaster Management Centre – Phase 2

The Municipal Manager took members through the item.

He mentioned that the objective of the report was to advise Council of the CoGTA Grant Funding that was to be utilized towards the construction of the

District Disaster Management Centre Phase 2 for the Fire Fighting Services Unit for the acceleration of service delivery.

Following discussion,

It was unanimously

RESOLVED:

- (a) That the report regarding the Grant Funding for the Establishment of the Disaster Management Centre – Phase 2 be and is hereby **NOTED**.
- (b) That the transfer of R5 million Grant Funding from CoGTA for the construction of phase 2 of the District Disaster Management Centre be and is hereby **ACCEPTED**.
- (c) That the Municipal Manager be and is hereby **AUTHORISED** to include the said grant in the Adjustment Budget 2015/2016.
- (d) That the person delegated to sign the MoA representing the Municipality be the Municipal Manager.

IN-COMMITTEE MATTERS

C 43/01/16

In-Committee Minutes of the meeting of the Executive Committee held on 25 November 2016

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

The Acting Speaker took members through the noting of the minutes.

Following which,

It was unanimously

RESOLVED:

That the In-committee Minutes of the meeting of the Executive Committee held on 25 November 2016 be and is hereby **NOTED**.

C 44/01/16

In-Committee Minutes of the meeting of the Executive Committee held on 03 February 2016

The Acting Speaker took members through the noting of the minutes.

Following which,

It was unanimously

RESOLVED:

That the In-Committee Minutes of the meeting of the Executive Committee held on 03 February 2016 be and is hereby **NOTED**.

[At that stage of the proceedings, Cllr Manyoni moved for the proceedings to move out of committee and was seconded by Cllr Mtheshane.]

C 45/01/16

DATE OF NEXT MEETING

It was noted that the date of the next meeting was scheduled for Thursday, 24 March 2016.

C 46/01/16

CLOSURE

There being no further items for discussion, the Acting Speaker declared the meeting closed at 12h30.

CHAIRPERSON: -----

DATE : -----