

**UGU DISTRICT MUNICIPALITY**

**MINUTES OF THE 9<sup>th</sup> MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL  
HELD IN THE COUNCIL CHAMBERS, RAY NKONYENI MUNICIPALITY,  
10 CONNOR STREET, PORT SHEPSTONE, ON THURSDAY,  
25 AUGUST 2022, AT 11H00.**

**PRESENT:**

Cllr SR Ngcobo - Speaker

PH Mthiyane (Mayor), VM Chiya (Deputy Mayor), D Nciki (Exco Member), SN Caluza (Exco Member), GD Henderson (Exco Member), MZ Luthuli, BE Machi, MA Manyoni, SHE Mngoma, NY Mweshe, SP Ntuli, SE Khawula, JS Ngwane, SA Ngcece, TH Msabala, B Nyuswa, PC Shange, LMR Ngcobo, P Breedt, MP Shoji, BN Shoji, J Schmidt, V Vezi, and ST Khathi.

**BY INVITATION:**

Inkosi ZE Jali

Inkosi MP Ngcobo

Mr N Kunene

- Co-operative Governance and Traditional Affairs (CoGTA)

Mr S Mkhize

- Co-operative Governance and Traditional Affairs (CoGTA)

Mr S Ka-Siphiwo

- International Electrotechnical Commission (IEC)

Mr P Kumalo

- International Electrotechnical Commission (IEC)

**IN ATTENDANCE:**

Dr EMS Ntombela

- Acting Municipal Manager

Mr VO Mazibuko

- General Manager: Corporate Services

Mr S Mbewu

- General Manager: Water Services

Ms D Rankin

- General Manager: Economic Development and Environmental Services (EDES)

Mr K Audan

- General Manager: Budget and Treasury Office

Mr F Zama

- Senior Manager: Mayoralty and Communications

Mr A Mbhele

- Manager: Administration and Auxiliary Services

Mr S Kati

- Manager: Risk and Internal Audit

Ms N Surajbally

- Administrative Officer: Secretariat Unit

Ms B Malishe

- Committee Co-ordinator: Secretariat Unit

- |             |   |   |
|-------------|---|---|
| Ms T Kikine | - | Acting Committee Co-ordinator: Secretariat Unit |
| Ms A Mnisi  | - | Acting Committee Clerk: Secretariat Unit        |

• **OPENING**

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

**C 432/08/22 NOTICE OF MEETING**

The notice of the meeting was taken as read.

**C 433/08/22 APPLICATIONS FOR LEAVE OF ABSENCE**

It was noted that Inkosi MBW Xolo (*council business*), Cllrs NA Njenga (*family commitment*), MP Mteshane (*sick*), MP Tenza (*council business*), SP Mthethwa (*council business*), X Nkasa (*family commitment*), N Ndadane (*sick*), N Ndovela (*family commitment*), FM Ngwane and EV Baptie (*council business*) had requested leave of absence from the meeting.

It was further noted that the following Councillors were connected to the meeting via the Hybrid Platform namely:

- Cllr PH Mthiyane;
- Cllr ST Khathi; and
- Cllr SA Ngcece

Following which,

It was unanimously

**RESOLVED:**

(a) That Inkosi MBW Xolo (*council business*), Cllrs NA Njenga (*family commitment*), MP Mteshane (*sick*), MP Tenza (*council business*), SP Mthethwa (*council business*), X Nkasa (*family commitment*), N Ndadane (*sick*), N Ndovela (*family commitment*), FM Ngwane and EV Baptie (*council business*) be and are hereby granted leave of absence from the meeting.

(b) That, it be noted that the following Councillors were connected to the meeting via the Hybrid Platform namely:

- Cllr PH Mthiyane;
- Cllr ST Khathi; and

- Cllr SA Ngcece

**C 434/08/22 DECLARATION OF INTEREST**

It was noted that there were none.

**C 435/08/22 CONFIRMATION OF AGENDA**

The Speaker took members through the confirmation of the agenda.

With regard to the late items, he explained to Council that he had a meeting with the Acting Municipal Manager with regard to the late submission of items; some items were even dispatched a few minutes before the meeting could commence. He said that he had cautioned Management that in future, no late items would be accepted given that Management was well aware of the Roster of the Meetings.

In addition, he emphasised that Management was also aware of the dates for all the compliance matters.

He urged the Acting Municipal Manager to address the said issue.

Thereafter, Cllr Nciki moved for the acceptance of the agenda and was seconded by Cllr Ntuli.

Following which,

It was

**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 Addendum as well as the inclusion of the following items under Urgent Matters and In-Committee Matters respectively:

- Item 10.4: Presentation by IEC;
- Item 13.4: 2023/2024 Final Draft IDP, Budget, PMS Framework and Process Plan; and
- Item 14.7: Investigation Report on Unauthorised Expenditure

**CONFIRMATION OF MINUTES**

**C 446/08/22 Minutes of the 8<sup>th</sup> Meeting of the Ugu District Municipal Council held on 28 July 2022**

The Speaker took members through the confirmation of the minutes for the 8<sup>th</sup> meeting of the Ugu District Municipal Council held on 28 July 2022.

Following which,

It was

**RESOLVED:**

That the minutes of the 8<sup>th</sup> Meeting of the Ugu District Municipal Council held on 28 July 2022, be and are hereby **CONFIRMED**.

**RESOLUTION REGISTER**

C 437/08/22

**Resolutions Register for the 8<sup>th</sup> Meeting of the Ugu District Municipal Council held on 28 July 2022**

The Speaker took members through the Resolution Register for the 8<sup>th</sup> Meeting of the Ugu District Municipal Council held on 28 July 2022.

Following which,

It was

**RESOLVED:**

That the Resolutions Register for the 8<sup>th</sup> Meeting of the Ugu District Municipal Council held on 28 July 2022, be and is hereby **NOTED**.

C 438/08/22

**OUTSTANDING MATTERS**

It was noted that there were none.

**STANDING ITEMS**

C 439/08/22

**Status on Covid-19 Cases**

The General Manager: Corporate Services took members through the item.

Following which,

It was unanimously

**RESOLVED:**

That the report on the Status on Covid-19 Cases be and is hereby **NOTED**.

C 440/08/22

**Monthly Birthday Greetings: Councillors, Amakhosi and Senior Managers**

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

- Inkosi MP Ngcobo - 04 August;
- Cllr P H Mthiyane - 09 August;

- Cllr MP Shoji - 17 August;
- Ms D Rankin - 17 August; and
- Ms N Mbambo - 18 August.

Following which,

It was unanimously

**RESOLVED:**

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

C 441/08/22

**Water Supply Status**

The General Manager: Water Services took members through the item.

He reported on the water supply status within the Ugu District.

Furthermore, he mentioned that there was a protest in the Murchison area and that the reason for same was that the pump system had failed. He stated that the Municipality was using the water tankers to supply the community with water. He indicated that the Municipality had engaged with the affected communities to resolve the issue.

The Chairperson indicated that there was no water at the Ugu Sport and Leisure Centre.

Cllr Schmidt sought clarity if the companies that were digging to put fibres in the Ugu District were charged for bursting the Ugu water pipes.

Cllr JS Ngwane mentioned that the Pump Station in the Louisiana area was not producing water and as a result the KwaMadlala and KwaQwabe areas were affected.

Cllr Khawula appreciated the good work done by the Department of Water Services especially for attending to the issue of the illegal connections. However, he mentioned that he was concerned that the illegal connections were not disconnected.

Cllr Ngcobo indicated that there was a shortage of provision of water in the Mathulini Area. He suggested that a short, medium, and long-term approach should be implemented. He requested that the water tankers should be used to provide water to Wards 9, 10, 11, 17, 18, 19, and 20.

Cllr Henderson requested that the Ugu District Municipality should improve on its communication with regards to the issue of water supply. He also requested for an update on the electricity supply from the Eastern Cape to the Umtamvuna Plant.

Inkosi Jali appreciated the good work done by the Department of Water Services. He confirmed that most communities were receiving water. He sought clarity on where Ward 35 was located in the KwaMachi area. He also sought clarity on how long the KwaMbotho and KwaFodo areas would rely on the water tankers.

Responding, the General Manager: Water Services mentioned that the fibre companies that damaged the Ugu infrastructure were held liable. He indicated that he was aware of the problem of the Pump Station in Louisiana and that same would be attended to. He stated that communication would be properly managed for the Mhlabatshane area.

He updated members that the timeframe for the removal of the illegal connections was September 2022. He also highlighted that the Municipality would reduce the use of water tankers; and that, water would be accessible from the boreholes. He then clarified that Ward 35 was in the Ray Nkonyeni Local Municipality.

The Speaker updated the Committee on the electricity supply from the Eastern Cape to the Umtamvuna Plant. Moreover, he stated that the Eastern Cape had agreed to provide the electricity to the Umtamvuna Plant.

Furthermore, he requested Cllr JS Ngwane to submit a written report of the areas that had no water for nine (9) months.

Following which,

It was

**RESOLVED:**

- (a) That the report on the Water Supply Status Quo be and is hereby **NOTED**.
- (b) That Cllr JS Ngwane be and is hereby tasked to submit a written report regarding the areas that had no water for nine (9) months.

C 442/08/22

**SALGA Monthly Report**

The General Manager: Corporate Services took members through the item.

He informed Council that the purpose of the report was to familiarize members on the SALGA monthly activities for the month of August 2022.

He pointed out that the report entailed the following:

- SALGA KZN Membership Levies;
- Retirement Fund and Collective Agreement;
- Draft Policy: Water and Sanitation Services on Privately Owned Land;

- SALGA Women Commission National Conference; and
- SALGA Upcoming Events

With regard to the SALGA KZN Membership Levies, he reported that an amount of R4.3 million was paid.

Commenting, Cllr Machi referred members to the SALGA Women Commission National Conference and expressed her unhappiness that only the African National Congress (ANC) was part of the said Conference, which was an embarrassment to the Ugu District Municipal Council given that the said Council was a multi-party Council.

The Speaker explained to members that the Invitation to the said Conference was addressed directly to Cllr PH Mthiyane and Cllr MP Shoji; and was not for the attention of the Office of the Speaker.

He further explained that the Municipality did not contribute any money towards the said Conference; all expenses were paid for by SALGA.

Following which,

It was

**RESOLVED:**

That the SALGA Monthly Report as of August 2022 be and is hereby **NOTED**.

**SECTION 79 REPORTS**

**Confirmed Minutes of the Meeting of the Municipal Public Accounts Committee (MPAC) held on 10 May 2022**

The Speaker took members through the Confirmed Minutes of the Meeting of the Municipal Public Accounts Committee (MPAC) held on 10 May 2022.

Following which,

It was

**RESOLVED:**

That the Confirmed Minutes of the Meeting of the Municipal Public Accounts Committee (MPAC) held on 10 May 2022 be and is hereby **NOTED**.

C 444/08/22 **Confirmed Minutes of the Special Meeting of the Municipal Public Accounts Committee (MPAC) held on 15 June 2022**

The Speaker took members through the Confirmed Minutes of the Meeting of the Municipal Public Accounts Committee (MPAC) held on 15 June 2022.

Following which,

It was

**RESOLVED:**

That the Confirmed Minutes of the Meeting of the Municipal Public Accounts Committee (MPAC) held on 15 June 2022 be and is hereby **NOTED**.

**MATTERS FOR DISCUSSION**

C 445/08/22 **Presentation by CoGTA: Skills Audit**

Mr S Mkhize (CoGTA) took members through the item.

He mentioned that the purpose of the report was to inform members on the following, namely:

- Findings of the Municipality Skills Audit;
- Implementation Plan towards Development of an Action Plan for implementation of the recommendations of the Skills Audit;
- Submission of the Approved Action Plan to CoGTA; and
- Submission of Quarterly Training Reports to CoGTA.

Thereafter, he highlighted the Councillor's Skills Audit and the Employee's Skills Audit.

Cllr Ntuli mentioned that the Councillors needed bursaries to further their studies and that same should be budgeted for. She stated that the presentation was supposed to focus on the Ugu District Municipality.

Cllr MP Shoji sought clarity on why the four (4) Councillors were not audited. She stated that the Councillors could not control the issue of the disabled Councillors given that Councillors were elected by the community members.

In response, Mr S Mkhize mentioned that the Skills Audit for the Ugu District Municipality would be complied and would be tabled to Council. He highlighted that all the Councillors from the Ugu District Municipality were audited. Regarding the individuals who were disabled, he stated that same was directed to the employees.

Cllr FM Ngwane indicated that if there were trainings; trainings should be done on time because if the training had started late then same had resulted in the Councillors leaving during the training session.



The Speaker requested that the members of the Portfolio Committee on Water and Sanitation including himself and Amakhosi should be trained in Plumbing.

Following which,

It was

**RESOLVED:**

(a) That the report on the Ugu Municipal Skills Audit for the Development of Action Plans and Monitoring of the Recommendations of the Skills Audit be and is hereby **NOTED**.

(b) That the Ugu Municipal Skills Audit for the Development of Action Plans and Monitoring of the Recommendations of the Skills Audit be and is hereby **ACCEPTED** and **APPROVED**.

C 446/08/22

**Presentation by IEC**

Mr S Ka-Siphiwo (IEC) took members through the item.

He informed the Committee on the projects and the activities that were currently underway in preparations for the 2023 / 2024 National and Provincial Elections and the KZN214 Ward 11 By-election.

Thereafter, he highlighted the background of the item.

The Chairperson mentioned that same would be communicated to the Public Participation Units of all the Municipalities (Office of the Speaker). He also stated that if there were any Councillors who had any ideas on the report, same should submit their ideas to the Office of the Speaker.

Following which,

It was

**RESOLVED:**

That the presentation by the IEC be and is hereby **NOTED**.

C 447/08/22

**Ugu District Municipality – 2022/23 Approved Budget Feedback Letter**

The Acting Municipal Manager took members through the item.

He pointed out that the objective was to report to Council that a feedback letter was received from KZN Provincial Treasury on the Ugu District Municipality's 2022/2023 approved budget and that the feedback letter indicated that the Municipality's budget was now funded for the 2022/2023 financial year.

Following which,

It was

**RESOLVED:**

That the report on the Ugu District Municipality – 2022 / 2023 Approved Budget Feedback Letter be and is hereby **NOTED**.

C 448/08/22

**Swearing in of Inkosi MP Ngcobo in the Ugu District Municipal Council**

The Speaker took members through the item.

He reminded Council that Inkosi MP Ngcobo was now part of the Ugu District Municipal Council.

Following which,

It was

**RESOLVED:**

- (a) That the report on the Swearing in of Inkosi MP Ngcobo in the Ugu District Municipal Council be and is hereby **NOTED**.
- (b) That, it be noted that Inkosi MP Ngcobo was Sworn In at the Ugu District Municipal Council.

**MATTERS FOR CONSIDERATION FROM COMMITTEES**

**Extracts from the Minutes of the Meeting of the Executive Committee held on 03 August 2022**

C 449/08/22

**Restructuring of Security Services**

The Acting Municipal Manager took members through the item.

He apprised members that the User Department had conducted research in terms of the internal security services. He mentioned that the results of the said exercise revealed that the Municipality was lacking in terms of the supervision of the hired security services.

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

Following discussion,

It was

**RESOLVED:**

- (a) That the report on the Restructuring of the Security Services be and is hereby **NOTED**.
- (b) That the current structure be reviewed as per the proposals entailed in the report.
- (c) That the Municipal Security Services be extended to the Fleet Management Section and the Revenue Management Section and that the policies relating to same be reviewed.
- (d) That the three (03) positions: Security Officer and two (02) Security Supervisors (*Area South-West and Area South Central*) be and is hereby considered with thorough expertise in investigation, strong background in law enforcement (Security Officer) and strict expertise in security co-ordination and supervision (Security Supervisor).
- (e) That the report on the proposed Plan in Addressing Acts of Vandalism & Sabotage Affecting Ugu District Municipality, presented before the Management Committee on 28 February 2018, be rediscussed and considered for funding and implementation.

**C 450/08/22 Grant Summary Report**

The Acting Municipal Manager took members through the item.

He stated that the report was submitted to inform Council on the expenditure of various grants as of 30 June 2022.

Following which,

It was unanimously

**RESOLVED:**

That the Grant Summary Report be and is hereby **NOTED**.

**C 451/08/22 Monthly Progress on Projects Implemented by the Project Management**

The Acting Municipal Manager took members through the item.

He informed members that the report was submitted to highlight the progress of the water and sanitation projects by the Water Services Department.

Following which,

It was unanimously

**RESOLVED:**

That the report on the Monthly Progress on Projects Implemented by the Project Management be and is hereby **NOTED**.

C 452/08/22

**Rural Household Sanitation Project: Installation of Ventilated Improved Pits**

The Acting Municipal Manager took members through the item.

He informed members that the report provided a status of the Rural Household Sanitation (VIP Toilets): Ugu -07-1561-2020.

Commenting, Cllr LMR Ngcobo requested Management to look at the milestones as well as the Business Plans. He said that Management should specify the areas where the project would be rolled out.

Following which,

It was unanimously

**RESOLVED:**

That the report on the Rural Household Sanitation Project on the Installation of the Ventilated Improved Pits be and is hereby **NOTED**.

C 453/08/22

**Conversion of GIS Data Administrator to Development Planner**

The Acting Municipal Manager took members through the item.

He informed members that the report was submitted to request for the conversion of the GIS Data Administration position under the Office of the Municipal Manager to be converted to a position of a Development Planner.

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

Following which

It was unanimously

**RESOLVED:**

- (a) That the report on the Conversion of the GIS Data Administrator to Development Planner be and is hereby **NOTED**.
- (b) That the request to convert the above-mentioned position be and is hereby **APPROVED**.

C 454/08/22

**Request for Debt to be Written Off**

The Acting Municipal Manager took members through the item.

He informed members that the report was submitted to seek approval to write-off the debt of the former Ugu District Municipality employees.

He mentioned that the Municipality had former employees who had exited the Municipality without settling their debt. He pointed out that the said concern was confirmed during the preparation of the Annual Financial Statements. He pointed out that the debt of the said employees ranged from those who were previously awarded bursaries and those that were indebted to the Municipality through different reasons from those who might have damaged vehicles, equipment and so forth.

He shared with members that the Human Resources had looked at the whole population of these debtors on various categories and had tried to trace same by means of writing letters to the said officials using their last known addresses. He pointed out that the said debts dated back as far as 2009, and that some were not traceable as to why there were no deductions made when the employees exited. He further advised members that the debt amounted to R596,738.12 occurring from years 2009 to 2010.

Following discussion,

It was

**RESOLVED:**

- (a) That the report on the Request for Debt to be Written-Off be and is hereby **NOTED**.
- (b) That the Debt amounting to R596,738.12 be **WRITTEN-OFF** as former employees who owed the Municipality monies were not traceable.
- (c) That the User Department ensure that it was the last time such write-offs were supported.

**C 455/08/22 Facilities Management Policy**

The Acting Municipal Manager took members through the item.

He advised members that the Facilities Management Policy was reviewed to ensure alignment with the current municipal requirements and resolution of gaps within the said Policy.

He mentioned that a rigorous review of the Policy was conducted through focused sessions with the Policy Review Management Committee.

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

Following discussion,

It was

**RESOLVED:**

- (a) That the report on the Facilities Management Policy be and is hereby **NOTED**.
- (b) That the Facilities Management Policy be and is hereby **ADOPTED**.

**C 456/08/22 Promotion of Access to Information (PAIA) Policy and Protection of Personal Information Act (POPIA)**

The Acting Municipal Manager took members through the item.

He apprised members that the Protection of Personal Information Act (POPIA) and the Promotion of Access of Information Act (PAIA) held a synergy with each other. He pointed out that both the said Acts were information “laws”, with PAIA and that same protected the right to access and freedom of information and POPIA protecting the unwarranted exposure of personal information.

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

Following discussion,

It was

**RESOLVED:**

- (a) That the report on the Promotion of Access to Information (PAIA) Policy and Protection of Personal Information Act (POPIA) be and is hereby **NOTED**.

- (b) That the Promotion of Access to Information (PAIA) Policy and Protection of Personal Information Act (POPIA) be and is hereby **CONSIDERED** and **ADOPTED**.

C 457/08/22

**Standing Rules and Orders of the Ugu District Municipal Council and its Committees: Virtual Meetings**

The Acting Municipal Manager took members through the item.

He pointed out that there were no changes that were made to the Standing Rules and Orders of the Ugu District Municipal Council and its Committees for the Virtual Meetings.

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

Following discussion,

It was

**RESOLVED:**

- (a) That the report on the Standing Rules and Orders of the Ugu District Municipal Council and its Committees for Virtual Meetings be and is hereby **NOTED**.
- (b) That the Standing Rules and Orders of the Ugu District Municipal Council and its Committees for Virtual Meetings be and is hereby **CONSIDERED** and **ADOPTED**.

C 458/08/22

**Labour Relations Matters and Disciplinary Hearing Progress Report**

The Acting Municipal Manager took members through the item.

He reported that in terms of the internal cases, the Municipality had only three cases which were pending, whereby one (01) related to gross insubordination and the other two (02) cases related to the abuse of the municipal vehicles.

Following which,

It was

**RESOLVED:**

That the report on the Labour Relations Matters and the Disciplinary Hearings Progress be and is hereby **NOTED**.

C 459/08/22

**Review of the Human Resources Policies**

The Acting Municipal Manager took members through the item.

He informed members that the said Policies were initially submitted to the Policy Development Committee and to all the reporting structures within the Municipality.

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

Following which,

It was

**RESOLVED:**

- (a) That the report on the Review of the Human Resources Policies be and is hereby **NOTED**.
- (b) That the following reviewed Human Resources Policies be and is hereby **ADOPTED**, namely:

- Home-Owners and Rental Allowance Policy;
- Employment Equity Policy (Review);
- Talent Management Policy;
- Employment Assistance Programme Policy (Review); and
- Recruitment & Selection Policy (Review).

**MINUTES FROM COMMITTEES**

**Minutes of the 10<sup>th</sup> Meeting of the Executive Committee held on 20 July 2022**

The Speaker took members through the minutes of the 10<sup>th</sup> meeting of the Executive Committee held on 20 July 2022.

Following which,

It was unanimously

**RESOLVED:**

That the Minutes of the 10<sup>th</sup> Meeting of the Executive Committee held on 20 July 2022 be and is hereby **NOTED**.

**URGENT MATTERS**

**Write-Off of Ugu District Municipality Moveable Assets**

The Acting Municipal Manager took members through the item.



He pointed out that the objective of the report was to inform Council on the moveable assets which needed to be approved for write-off.

Thereafter, Cllr Henderson moved for the acceptance of the recommendations and was seconded by Cllr Nciki.

Following which,

It was

**RESOLVED:**

- (a) That the report on the Write Off of the Ugu District Municipality's Moveable Assets be and is hereby **NOTED**.
- (b) That the background history to the item be and is hereby **NOTED**.
- (c) That, it be noted that the moveable assets to be written off were due to same not being found on site during the physical verification process.
- (d) That, it be noted that the assets to be written off were due to the duplication of bar codes.
- (e) That, it be noted that the assets to be written-off were due to same being duplicated in the fixed asset register.
- (f) That, it be noted that the moveable assets to be written off were due to the assets torched during the community unrest.
- (g) That, it be noted that the moveable assets to be written off were due to same being assessed with a condition of scrap during the physical verification.
- (h) That the total assets as per the disposal list for moveable assets to be written off and removed from the Ugu District Municipality's Asset Register be and is hereby **APPROVED**.
- (i) That the Write-Off of the Ugu District Municipality Moveable Assets be and is hereby **APPROVED**.

The Acting Municipal Manager took members through the item.

He informed Council that the rationale was to inform members on the infrastructure assets to be approved for write-off.

Giving members a brief background, he mentioned that during the audit of the 2021/2022 financial year, there were assets that were identified to be written off from the Fixed Asset Register (FAR). He reported that a physical verification on the infrastructure assets had been performed. He reminded Council of the July 2021 unrest whereby the municipal assets were torched and emphasised that due to the said unrest Council should consider writing off the said assets and remove same from the municipal Fixed Asset Register (FAR). He stated that the said assets were not on site when verification was performed as same were removed by the Insurance Service Providers.

Thereafter, Cllr Henderson moved for the acceptance of the recommendations and was seconded by Cllr Mweshe.

Following which,

It was

**RESOLVED:**

- (a) That the report on the Write Off of Ugu District Municipality Infrastructure Assets be and is hereby **NOTED**.
- (b) That the background history to the item be and is hereby **NOTED**.
- (c) That, it be noted that the infrastructure assets to be written off were due to same not being found on site during the physical verification process.
- (d) That, it be noted that the infrastructure assets to be written off were due to the duplication of bar codes and also same were duplicated line items in the Fixed Asset Register.
- (e) That, it be noted that the infrastructure assets to be written off were due to the assets torched during the community unrest.
- (f) That, it be noted that the infrastructure assets to be written off were due to same being assessed with a condition of scrap during the physical verification.
- (g) That the total infrastructure assets as per the disposal list for infrastructure assets to be written off and removed from the Ugu District Municipality's Asset Register be and is hereby **APPROVED**.

- (h) That the Write Off of Ugu District Municipality's Infrastructure Assets be and is hereby **APPROVED**.

C 463/08/22

**Write-Off of Outstanding Balances for Ugu Entities as New Amalgamated Entity is Established**

The Acting Municipal Manager took members through the item.

Giving members a brief background, he mentioned that the purpose was to request Council to approve the write-off of the balances owed to the Ugu South Coast Tourism and the Ugu South Coast Development Agency.

Thereafter, Cllr Manyoni moved for the acceptance of the recommendations and was seconded by Cllr Breedt.

Following which,

It was

**RESOLVED:**

- (a) That the report on the Write Off of the Outstanding Balances for the Ugu Entities as a New Amalgamated Entity was Established be and is hereby **NOTED**.
- (b) That the write-off of the outstanding balances amounting to R28, 524, 115.44 be and is hereby **APPROVED**.

C 463/08/22

**2023/2024 Final Draft IDP, Budget, PMS Framework and Process Plan**

The Acting Municipal Manager took members through the item.

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

Following which,

It was

**RESOLVED:**

- (a) That the report on the 2023/2024 Final Draft IDP, Budget, PMS Framework and Process Plan be and is hereby **NOTED**.
- (b) That, it be noted that there were no comments received on the 2023/2024 Final Draft IDP, Budget, PMS Framework and Process Plan.

- (c) That the 2023/2024 IDP, Budget, PMS Framework and Process Plan be and is hereby **APPROVED**.

### **IN-COMMITTEE MATTERS**

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

C 464/08/22

#### **In-Committee Minutes of the 8<sup>th</sup> Meeting of the Ugu District Municipal Council held on 28 July 2022**

The Speaker took members through the In-Committee Minutes of the 8<sup>th</sup> Meeting of the Ugu District Municipal Council held on 28 July 2022.

Following which,

It was

#### **RESOLVED:**

That the In-Committee Minutes of the 8<sup>th</sup> Meeting of Ugu District Municipal Council held on 28 July 2022 be and are hereby **CONFIRMED**.

C 465/08/22

#### **In-Committee Minutes of the Special Meeting of the Municipal Public Accounts Committee (MPAC) held on 15 June 2022**

The Speaker took members through the In-Committee Minutes of the Special Meeting of the Municipal Public Accounts Committee (MPAC) held on 15 June 2022.

Following which,

It was

#### **RESOLVED:**

That the In-Committee Minutes of the Special Meeting of the Municipal Public Accounts Committee (MPAC) held on 15 June 2022 be and is hereby **NOTED**.

C 467/08/22

#### **Investigation Report on Fruitless and Wasteful Expenditure for the Period April 2021 to June 2021 and May 2022 to June 2022**

The Manager: Risk and Internal Audit took members through the item.

Cllr LMR Ngcobo moved for the acceptance of the recommendations and was seconded by Cllr Nciki.

Following which,

It was

**RESOLVED:**

- (a) That the Investigation Report on the Fruitless and Wasteful Expenditure for the period April 2021 to June 2021 and from May 2022 to June 2022 be and is hereby **NOTED**.
- (b) That the outstanding Fruitless and Wasteful Expenditure for the period May 2022 to June 2022 amounting to R5 287 306.26 (pls see the figure on the report) as irrecoverable be and is hereby **WRITTEN OFF**.
- (c) That the outstanding Fruitless and Wasteful Expenditure for the period April 2021 to June 2021 amounting R5, 934, 922.11 as irrecoverable be and is hereby **WRITTEN-OFF**.
- (d) That the **WRITE-OFF** of any Fruitless and Wasteful Expenditure incurred before 30 June 2022 resulting from the similar nature but subject to validation by Internal Audit be and is hereby **APPROVED**.

C 468/08/22

**Investigation Report: Irregular Expenditure Local Content Population**

The Manager: Risk and Internal Audit took members through the item.

Thereafter, Cllr LMR Ngcobo moved for the acceptance of the recommendations and was seconded by Cllr Nciki.

Following which,

It was

**RESOLVED:**

- (a) That the Investigation Report on the Irregular Expenditure Local Content Population be and is hereby **NOTED**.
- (b) That the following irregular expenditure incurred due to non-compliance with the requirements of local production and content regulations be and is hereby **WRITTEN OFF**:
  - Prior year local content -Tenders R48, 667, 588.80;
  - Current year local content - Tenders R181, 831, 195.52; and

- Current year Local content - Quotations R11, 281, 065.15

- (c) That the **WRITE-OFF** of any Irregular Expenditure incurred before 30 June 2022 resulting from the similar nature but subject to validation by Internal Audit be and is hereby **APPROVED**.

C 469/08/22

### **MPAC Work Plan 2022-2023**

The Manager: Risk and Internal Audit took members through the item.

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

Following which,

It was

#### **RESOLVED:**

- (a) That the report on the MPAC Work Plan be and is hereby **NOTED**.
- (b) That the MPAC Work Plan for the 2022-2023 Financial Year be and is hereby **APPROVED**.
- (c) That MPAC must be provided with a dedicated resource in the form of an MPAC Officer to manage the MPAC programs and activities.

C 470/08/22

### **Investigation: Irregular Expenditure Resulting from Non-Compliance with SCM Regulation 29**

The Manager: Risk and Internal Audit took members through the item.

Thereafter, Cllr LMR Ngcobo moved for the acceptance of the recommendations and was seconded by Cllr Nciki.

Following which,

It was

#### **RESOLVED:**

- (a) That the Investigation Report on the Irregular Expenditure resulting from Non-compliance with SCM Regulation 29 be and is hereby **NOTED**.
- (b) That the Irregular Expenditure amounting to R30 633 675.43 incurred due to non-compliance with SCM Regulation 29 be and is hereby **WRITTEN OFF**

- (c) That the WRITE-OFF of any Irregular Expenditure incurred before 30 June 2022 resulting from the similar nature but subject to validation by Internal Audit be and is hereby **APPROVED**.

**C 471/08/22 Investigation Report on Unauthorised Expenditure**

The Manager: Risk and Internal Audit took members through the item.

Following which,

It was

**RESOLVED:**

- (a) That the Investigation Report on Unauthorised Expenditure be and is hereby **NOTED**.
- (b) That the unauthorised expenditure of R234, 167, 839.00 be and is hereby **WRITTEN OFF**.
- (c) That the unauthorised expenditure of R327, 002, 180.65 be and is hereby **WRITTEN OFF**.
- (d) That any unauthorised expenditure incurred before 30 June 2022 resulting from a similar nature but subject to validation by Internal Audit Unit be and is hereby **WRITTEN OFF**.

Commenting, the Speaker thanked the Manager: Risk and Audit for the good presentation of the reports, which was easily understandable. He also thanked the said Unit for the good work that was being done.

*[At that stage of the proceedings, Cllr Nciki moved for the meeting to move out of committee and was seconded by Cllr Mthethwa].*

**C 472/08/22 DATE OF NEXT MEETING**

It was noted that the date of the next meeting was scheduled for 29 September 2022.

**C 473/08/22 CLOSURE**

The Speaker requested Cllr Nciki to close the meeting in prayer.

There being no further items for discussion, the Speaker declared the meeting closed at 13h55.

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