

UGU DISTRICT MUNICIPALITY

**MINUTES OF THE 47TH MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL
HELD VIA MICROSOFT OFFICE TEAMS VIDEO CONFERENCING, ON
THURSDAY, 25 FEBRUARY 2021, AT 11H00.**

PRESENT:

Cllr NH Gumede - Speaker

SR Ngcobo (Mayor), LMR Ngcobo (Exco Member), NT Dlamini (Exco Member), AD Ngubo (Exco Member), L Mzimela (Exco Member), SP Mthethwa (Exco Member), SN Caluza, SH Cele, SR Cele, TB Cele, S Chetty, TA Disane, K Dladla, TW Dube, JJ East, GD Henderson, DDM Hlengwa, SE Khawula, MA Manyoni, H Mbatha, B Ntusi, S Mngomezulu, NCP Mqwebu, NY Mweshe, Y Nair, HJ Ngubelanga, PT Naude, D Nciki, and MPL Zungu.

BY INVITATION:

Inkosi MP Ngcobo
Inkosi BS Nzimakwe
Inkosi ZGB Msomi
Inkosi ZR Qwabe
Inkosi EZ Jali
Inkosi B Cele
Mr H Njoko - Entities
Ms P Mangcu - Entities
Ms D Ludick - Entities
Mr S Dlomo - Entities

IN ATTENDANCE:

Mr S Sithole - Acting Municipal Manager
Mr VO Mazibuko - General Manager: Corporate Services
Mr S Mbewu - General Manager: Water Services
Ms L Sotshede - Acting General Manager: Budget and Treasury Office
Ms N Msomi - Acting General Manager: Economic Development and Environmental Services
Mr F Zama - Senior Manager: Mayoralty and Communications
Ms F Mbili - Senior Manager: Corporate Strategy and Shared Services
Mr S Kati - Manager: Risk and Internal Audit
Ms N Grobler - Acting Manager: Administration and Auxiliary Services
Ms N Mbambo - Manager: Legal Services
Ms N Surajbally - Administrative Officer: Secretariat Unit
Ms T Kikine - Committee Clerk: Secretariat Unit

OPENING

The Speaker welcomed all to the meeting. She then requested Cllr Mthethwa to open the meeting in prayer.

Thereafter, she took the opportunity to congratulate the 2020 Matric Students in the Ugu District for achieving the first position in the KwaZulu Natal Department of Education. She also thanked the parents and the teachers that contributed to the said achievement.

C 350/01/21 NOTICE OF MEETING

The notice of the meeting was taken as read with the amendment of the time from 11h00 to 11h32.

C 351/01/21 APPLICATIONS FOR LEAVE OF ABSENCE

It was noted that Cllrs A Rajaram (*sick*), ZZ Msani (*council business*), and BE Machi (*personal commitment*) had requested leave of absence from the meeting.

It was also noted that Cllr GS Mngomezulu had requested to be excused from the meeting at 13h30 to attend to an urgent matter.

It was further noted that the following Councillors would join the meeting late; namely:

- Cllr DDM Hlengwa; and
- Cllr Y Nair.

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

Following which,

It was unanimously

RESOLVED:

(a) That Cllrs A Rajaram (*sick*), ZZ Msani (*council business*), and BE Machi (*personal commitment*) be and are hereby granted leave of absence from the meeting.

(b) That, the request from Cllr GS Mngomezulu to be excused from the meeting at 13h30 to attend to an urgent matter be and is hereby **GRANTED**.

(c) That it be noted that the following Councillors would join the meeting late; namely:

- Cllr DDM Hlengwa; and
- Cllr Y Nair

- (d) That from the Management Component, the Senior Manager: Corporate Strategy and Shared Services (*sick*) be and is hereby granted leave of absence from the meeting.

C 352/01/21 DECLARATION OF INTEREST

It was noted that there were none.

C 353/01/21 CONFIRMATION OF AGENDA

The Speaker took members through the confirmation of the agenda.

The Acting Municipal Manager advised that the agenda should be confirmed as it was. He then advised members that in future, Item 11, "Extracts from Committees" on the agenda should be amended to read as "Matters for Consideration from Committees."

Cllr Khawula requested that the Acting Municipal Manager should provide Council with an update on the review of the Operation Sukuma Sakhe Structure (OSS) in terms of COVID-19.

The Acting Municipal Manager confirmed that the said request would be covered under Item 8.4 on the agenda.

Following which,

It was

RESOLVED:

- (a) That the agenda convening the Ugu District Municipal Council meeting be and is hereby **CONFIRMED**.
- (b) That, it be noted that in future, Item 11, "Extracts from Committees" be amended to read as Matters for Consideration from Committees.
- (c) That, it be noted that the request from Cllr Khawula relating to an update on the review of the Operation Sukuma Sakhe Structure (OSS) in terms of COVID-19 would be covered under Item 8.4 on the agenda.

CONFIRMATION OF MINUTES

C 355/01/21 Minutes of the 46th Meeting of the Ugu District Municipal Council held on 28 January 2021

The Speaker took members through the confirmation of the minutes for the 46th meeting of the Ugu District Municipal Council held on 28 January 2021.

Following which,

It was unanimously

RESOLVED:

That the Minutes of the 46th Meeting of the Ugu District Municipal Council held on 28 January 2021, be and are hereby **CONFIRMED**.

RESOLUTION REGISTER

C 357/01/21 Resolution Register for the 46th Meeting of the Ugu District Municipal Council held on 28 January 2021

The Speaker took members through the Resolution Register for the 46th meeting of the Ugu District Municipal Council held on 28 January 2021.

Following which,

It was unanimously

RESOLVED:

That the Resolution Register for the 46th Meeting of the Ugu District Municipal Council held on 28 January 2021, be and is hereby **NOTED**.

C 358/01/21 OUTSTANDING MATTERS

It was noted that there were none.

STANDING ITEMS

C 359/01/21 SALGA Monthly Report to Members as of 17 February 2021

The Acting Municipal Manager took members through the SALGA Monthly Report to Members as of 17 February 2021.

He pointed out that there was an issue on the salary budget, but a draft of same had been submitted to SALGA.

In terms of job the Evaluation, he stated that there were Local Municipalities that had not yet paid SALGA their outstanding amounts.

Following which,

It was

RESOLVED:

That the SALGA Monthly Report is and hereby **NOTED**.

C 360/01/21 Monthly Birthday Greetings: Councillors, Amakhosi and Senior Managers

The Speaker conveyed birthday wishes on behalf of council to the Councillors who celebrated their birthdays during the month of February namely:

- Cllr SN Caluza : 06 February
- Cllr ZK Dladla : 28 February
- Cllr SR Cele : 23February

Following which,

It was unanimously

RESOLVED:

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

C 361/01/21 Water Supply Challenges

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

He stated that the rationale of the report was to apprise Council on the current water supply status and challenges experienced within the Ugu District Municipality operational areas with short-term project plans to eradicate the water supply shortage to all the supply areas.

He then reported on the following:

- Area South: Ray Nkonyeni and Umzumbe Local Municipality;
- Area North: Umzumbe Local Municipality;
- Area South West: Operational Report; and
- South West-Water Tanker Schedule.

Cllr Henderson stated that the pumping capacity of the Bhobhoyi Plant was increased from 58 to 88 megaliters per day, but he could not see the improvement of water supply. He indicated that the areas Hibberdene and Woodgrange always had water problems, and even Ramsgate had the same issue. He pointed out that the Municipality had spent more than R200 million on the 600-milliliter pipeline from Gamalakhe to the Seaslopes reservoir, but there was no benefit from same because some areas had no water.

He stated that he had a burst pipe in his Ward on Friday night and the water was only closed the following day. He indicated that he had waited for the TLB, and that same had arrived 6 days later. He mentioned that the Municipality had only one TLB that was working from Hibberdene to Port Edward. He sought clarity on how the Municipality was supposed to operate if there was no equipment.

Cllr Khawula sought clarity on how far the Municipality was with the illegal water connections. He also questioned if there was anyone who was arrested regarding vandalism. He enquired if there were any water tanker programmes to the schools. He

pointed out that there was a reservoir in the Kwashoba area, and when same was full, the water opened out from the reservoir; hence the said issue should be attended to urgently.

Cllr East stated that at Malangeni, Ward 7 the standpipes had no water, and the reason was that the grader had cut through the water pipes. He noted that in the same area, there was a pipe that was leaking and that same had looked like the water had been cut off. He pointed out that he was not receiving any communication from the responsible department.

Cllr Mzimela requested a report regarding the backup generators to the main supply areas which were Bhobhoyi, Umzimkhulu, and the Umtamvuna plants since there was an issue of load shedding.

Cllr Ngcobo suggested that once there was an issue of water shedding in a particular area, the officials should immediately send a water tanker to the said area, so that there would be no outcries from the community.

In response, the General Manager: Water Services indicated that the Bhobhoyi Plant had been upgraded to 81 megaliters capacity. He stated that the illegal connections policy was at the Policy Review Committee and that the following stage would be to table same to the Management Committee, for onward submission to EXCO then Council. He pointed out that the culprits for vandalism had been reported but not yet arrested. He also highlighted that there was a program of providing water to the schools. Regarding the Kwashoba issue, he mentioned that he would keep in contact with Cllr Khawula for more information.

He stated that he would be in contact with Cllr East regarding the Emalangeni pipeline, which was damaged by the grader for more information, so that the Plumber would attend to the same issue. He pointed out that there was a central group which was the Rapid Response, and that the water challenges could be communicated on the said group.

Responding to the issue of the backup generators, he mentioned that the exercise of costing was done, and that the Municipality had budget limitations. He stated that same had no other source of funding besides their internal funding. He mentioned that he would prepare a report detailing issues relating to the backup generator to the main supply areas. He also indicated that he would consider the issue of the availability of the TLBs.

Following which,

It was unanimously

RESOLVED:

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

C 362/01/21 COVID-19

The Acting Municipal Manager took members through the item.

He stated that the Municipality had 17,092 confirmed cases; 15,344 had recovered; 1,174 active cases and 574 deaths within the Ugu District. He indicated that the DSD had 29,773 vouchers that were provided within the Ugu District and that same was a work in progress. He pointed out that same had been working with the Speaker's Offices for the different Local Municipalities to assist people who were destitute and those who were impacted negatively by the Covid-19 Pandemic.

Cllr LMR Ngcobo sought clarity on the involvement of the Councillors in relation to the food vouchers. He also enquired if there were Covid-19 compliant officers in every office or depot to ensure that the employees were capacitated on the correct use of the PPEs.

In response, the Acting Municipal Manager stated that the program around the food parcels and food vouchers, DSD was in charge of same; however, DSD had their own instruments to assess who was expected to get support on receiving the food parcels and food vouchers.

Furthermore, he indicated that DSD should work through the offices of the Speakers and the relevant Ward Councillors and Amakhosi. He stated that the Mayor had emphasized that the people who would be getting the support should be the ones who met the criteria for the said support.

He mentioned that most of the municipal offices were high risk areas in Covid-19, especially for internal staff. He pointed out that there were alternate dates on which staff were available to work and the offices were fumigated to reduce the risk of the infection. He informed members that there were risk structures in place for Covid in all depots to educate people to use masks and sanitizers.

The Speaker sought clarity if there was anything that referred to the vaccine, on how same would be rolled considering the Centre's that work with COVID-19.

Responding, the Acting Municipal Manager, mentioned that the said Centre's were working with Department of Health regarding the distribution of the vaccine, starting with health the workers and essential workers.

Following which,

It was unanimously

RESOLVED:

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

C 363/01/21 SECTION 79 REPORTS

It was noted that there were none.

MATTERS FOR DISCUSSION

C 364/01/21 Harding Drought

The Acting Municipal Manager took members through the item.

Following which,

It was unanimously

RESOLVED:

That the report on the Harding Drought be and is hereby **NOTED**.

C 365/01/21 2020/2021 Revised Service Delivery and Budget Implementation Plan

The Acting Municipal Manager apprised members that the Mid-Term Assessment was done. He pointed out that the report indicated the Units that performed well and those that underperformed, including the reasons for the non-performance.

He mentioned that the item was submitted for Council to consider the amendments proposed for the revised 2020/2021 Service Delivery and Budget Implementation Plan. He explained to members that the said amendments related to the targets that Management could not resolve on their own which same related to the projects that could not be implemented because of budget cuts given that the budget was unfunded.

He pointed out that there were targets that were removed due to the COVID-19 pandemic, whereby data had to be collected from the communities through the Mayoral Izimbizo. He further took members through the register of amended and removed key performance indicators as reflected from pages 65 to 81 of the agenda.

Cllr LMR Ngcobo enquired if the Acting Municipal Manager had made any amendments to the Performance Agreements of all the Head of Departments.

Cllr East referred members to the Register of Amended and Removed Key Performance Indicators on page 65 and pointed out that the Municipality was reducing the parameters for the percentage of meters read and the actual meters read; yet one of the biggest problems in the Municipality related to the failure of meter reading which same had caused a challenge in terms of the Municipality collecting revenue.

In terms of the customer surveys conducted, he advised that the said exercise could be conducted during the Mayoral Izimbizo. He advised that the customer survey forms could further be sent monthly with customers water bill statements.

On page 80 of the agenda, he raised a concern on the risk register that was not adopted including the issue of future quarterly targets that were not achieved. He then referred members to the annual target of 100% that related to the households with access to basic level of sanitation as per the Municipality's current projects and pointed out with concern that the municipality was setting itself for failure on the said target.

The Acting Municipal Manager confirmed that the Performance Agreements of all the Head of Departments would be amended after the Council had approved the amendments to remove the Key Performance Indicators as outlined in the report.

In terms of the Meter Reading Function, he apprised members that there was a programme that was put in place and that COGTA was requested to assist the Municipality on the following functions, namely:

- Billing Issues;
- Data Cleansing; and
- Metering Function

Following which,

It was unanimously

RESOLVED:

- (a) That the 2020/2021 Revised Service Delivery and Budget Implementation Plan and is hereby **NOTED**.
- (b) That the Revised 2020/21 SDBIP and Register of Amendments be and is hereby **ADOPTED**.

EXTRACTS FROM COMMITTEES

Extracts from the Draft Minutes of the Meeting of the Executive Committee held on 17 February 2021

Pre-Planning of Umtamvuna Abstraction and Water Treatment Works – Application for Funding

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

Following which,

It was

RESOLVED:

- (a) That the report on the Pre-Planning of the Umtamvuna Abstraction and Water Treatment Works – Application for Funding be and is hereby **NOTED**.
- (b) That the Pre-Planning of the Umtamvuna Abstraction and Water Treatment Works – Application from COGTA through the Department of Water and Sanitation be and is hereby **NOTED**.
- (c) That the Pre-Planning of the Umtamvuna Abstraction and Water Treatment Works – application from COGTA through the Department of Water and Sanitation be and is hereby **APPROVED**.

C 367/01/21 Standing Rules and Orders of the Ugu District Municipal Council and its Committees: Virtual Meetings

The Acting Municipal Manager took members through the item.

Following which,

It was

RESOLVED:

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

C 368/01/21 2021/2022 Draft Integrated Development Plan

It be noted that the 2020/21 Draft Integrated Development Plan was deferred given that the item still needed to be workshopped.

C 369/01/21 2020/21 Draft Spatial Development Framework and Capital Investment Framework

It be noted that the 2020/21 Draft Spatial Development Framework and Capital Investment Framework was deferred given that the item still needed to be workshopped.

C 370/01/21 ICT DRP Policy Reviews

The Acting Municipal Manager took members through the item.

Following which,

It was

RESOLVED:

- (a) That the report on the ICT DRP Policy Reviews be and is hereby **NOTED**.
- (b) That the ICT DRP Policy Reviews be and is hereby **ADOPTED**.

C 371/01/21 2020/2021 Quarter 2 Report

The Senior Manager: Corporate Strategy and Shared Services took members through the item.

The Mayor raised a concern that Council had received policies and that members were told that they would be workshopped on the policies; hence Council should receive the date of the workshop for all the policies.

Following which,

It was

RESOLVED:

That the 2020/2021 Quarter 2 report be and is hereby **NOTED**.

C 372/01/21 Auxiliary Services Report

The Acting Municipal Manager took members through the item.

Following which,

It was

RESOLVED:

(a) That the report on the Auxiliary Services Policy Report be and is hereby **NOTED**.

(b) That the BTS Policy be and is hereby **ADOPTED**.

(c) That the Security Policy be and is hereby **ADOPTED**.

(d) That the Facilities Management Policy be and is hereby **ADOPTED**.

Extracts from the Joint Meeting of the Executive Committee and the Portfolio Committee on Finance held on 19 February 2021

C 373/01/21 Adjustment Budget: 2020/2021: Ugu District Municipality

The Acting General Manager: Budget and Treasury Office took members through the item.

She then referred members to paragraph 6 on the Unforeseen and Unavoidable Expenditure and reported that as a result of the Section 106 report that was issued by COGTA, the Municipality had to seek special expertise in legal matters in order to assist with the implementation of the resolution, and the service provider appointed provided a cost estimate for the whole project amounting to R4,830,000,00.

Under the Employee Related Costs, she reported that an adjustment of R20 million was made to ensure that there were enough funds until the end of the financial year.

She then highlighted the savings made in the following Departments, namely:

- **Corporate Services**

A total savings of R2,010,000.00 was made in order to cater for the

following services listed from Items 7.1.2.1.1 to 7.1.2.2.6.

- **Budget and Treasury Office**

She apprised members that no savings have been identified to cater for the increased budget on the following projects, namely:

- Management of Existing Debt of the Municipality (Interest and External loans – R4,000,000.00; and;
- Maintenance and Update of the Asset Register (Depreciation and Asset Impairment – R12,500,000.00.

- **Office of the Municipal Manager**

She informed members that a total savings of R4,830,000.00 was made in the budget for the Special Audit Assignment Project in order to cater for the investigations relating to Section 106 Report that was issued to the Municipality. She mentioned that the said investigation was currently in progress.

- **Economic and Development Services**

She pointed out that the budget allocation to the Ugu South Coast Development Agency had been increased by R1,370,352.00 in order to correct the error that was made in the original budget.

- **Water Services**

She reported that a savings of R34,300,000.00 on the Repairs and Maintenance was made to cater for the Capex Budget of R20,300,000.00 that was required to replace some components of the ageing infrastructure.

On the Capital Budget (Capex), she reported that the Municipality had set aside a total of R252,762,991 for the Capital Projects, which was made up of R227,762,991 that was funded through grants and R25,000,000.00 was funded from Internally Generated Revenue.

She mentioned that at mid-year, the available fund on the Water Pipeline Replacement Project was R43,670,378.24. She explained that the said funds had to be adjusted and re-allocated to the projects listed on the first table of page 7 of the agenda because the amounts that were registered against the project with CoGTA in the MIG Implementation Plan had been depleted and thus needed to be re-allocated to projects that were currently registered and still had funds available.

She pointed out that some of the projects were identified as not registered with MIG for implementation and it was therefore assessed that same would not be feasible to

spend the funds allocated to the same projects in the remainder of the 2020/21 Financial Year.

She reported that the funds of R35,234,100.24 that were allocated to these projects were then re-allocated to Malangenani - Esperanza Bulk Water (Storage - R20,726,238.96; Pipeline - R14,507,861.24).

She informed members that the KwaXolo Water Supply was adjusted upwards by R9,049,591.55 from the projects that were not registered and those that were still awaiting approval of additional funding application from CoGTA.

She mentioned that a total value of R17,702,211.25 was sourced from the projects that were not registered with MIG in the CoGTA Implementation Plan and had to be re-allocated to the following projects, namely:

- Msikaba and Surrounds Water Supply Scheme - Adjustment of R8,504,460.14;
- Malangenani Low-Cost Housing Project (Phase F&G)-Adjustment by R6,197,751.11; and
- KwaXolo Bulk Water Supply - Adjustment by R3,000,000.00.

In terms of the Internally Funded Capital Budget, she shared with members that the budget on the Fleet Project, particularly the Fleet Replacement Plan was adjusted upwards by R2,500,000.00 to cater for funds required to participate in the transversal fleet tender to procure municipal vehicles.

She mentioned that an additional R800,000.00 was also added in order to cater for the repairs of the air conditioning system at the Oslo Beach Offices as well as some other essential replacement of the office equipment and furniture.

She advised members that an amount of R1,019,000.00 was adjusted downwards from the Capital ICT Projects. She pointed out that an amount of R20,300,000.00 was re-allocated from Repairs and Maintenance and was allocated to the Replacement of Mechanical and Electrical Infrastructure Assets to improve the performance of Water and Sanitation Infrastructure that was currently under strain.

On the Councillors' Remuneration, she reported a downward adjustment of R5,493,552,95 to align the expenditure to date with the budgeted amount.

Cllr Chetty referred members to Item 7.2.1.3 and Item 7.2.1.4 enquired who took the decision for the re-allocate of the Mkholombe Sanitation and Merlewood Mixed Income Housing: Bulk Water Infrastructure was reprioritized. He raised concern that the said areas have been outstanding for a long time and further enquired who was responsible for ensuring that the said two (2) projects were registered with MIG in the CoGTA Implementation Plan.

Cllr Ngcobo referred members to Item 7.1.6.2 of the report and reminded members that the said report was presented to the joint meeting of the Executive Committee and Portfolio Committee on Finance and that previously the Municipality was required to ensure that the Maintenance Budget was increased by 8% in terms of the law. He apprised members that the said meeting agreed that the Maintenance Budget should

be increased by 3%; instead, same was adjusted downwards. He then sought clarity on the remaining R14 million that was not accounted for.

Commenting, Cllr Dlamini advised that Management should ensure that the Municipality stuck to the schedule on the Repairs and Maintenance Budget. She further enquired on the reasons that had a direct contribution on the delay in terms of ensuring that the projects were registered accordingly.

Cllr SH Cele raised a concern in terms of the funds that were moved from the Esperanza Projects and further sought clarity on the reasons.

Cllr East pointed out a reduction that was made to the North on the Roads and Reinstatement. He stressed concern that one of the biggest challenges in the Northern areas related to the issue of damaged roads.

He also mentioned that the Staff Salaries was increased by R18.9 million and raised a concern that the employees were reduced by 118 workers. He enquired if the salaries of the 118 staff could not be directed to overtime.

He also pointed out that the Mistake Farm project was reduced by R1.8 million and that he was hopeful that the said project would be reinstated in the 2021/22 Financial Year Budget including the following projects, namely:

- Malangeni Project Scheme;
- Umzinto Slum Clearance; and
- Farm Isonti Phase 2.

Cllr Chetty referred members to the bottom of page 5 and indicated that there were no savings that were made and yet Item 7.1.4 referred to a saving of R4.8 million. He further sought clarity on same.

The Mayor pointed out that the budget presented was not new. He advised members that the said budget had to be spread in order to ensure that same catered for the entire Ugu District. He advised members that in the last Financial Year, the budget had focused more in the Port Shepstone area of the Ray Nkonyeni Local Municipality and complaints were received from the other Local Municipalities.

He advised members that the budget was aimed at assisting Umdoni Local Municipality and that the projects that were planned were aimed at assisting the said Municipality and the adjustment was done for the said area. He also requested that Council should be provided with reasons for the projects that were not registered.

The Speaker also raised serious concern on the issue of the projects that were not registered, especially the Malangeni Low-Cost Housing Project.

The Acting Municipal Manager explained to Council that the provision on the Repairs and Maintenance was for lower than the 8% and that same had to be increased. He reported that the Municipality had spent a lot of budget on Maintenance using the Staffing budget.

He pointed out that the Overtime had to be increased and that the Municipality had to ensure that the service delivery would not be interrupted during the Peak Season period. He mentioned that the cost for overtime had increased and that there were cases that were currently being investigated through the Risk and Internal Audit Unit.

In terms of the spending patterns of the Municipality, he pointed out that it was important that the Municipality scrutinized the funds that were provided in the Maintenance budget against the funds that were utilized monthly on same to ensure that the said funds were accounted by all the Departments.

He advised members that the amount of R4.8 million had to be adjusted downwards because there were funds that had already been spent e.g. The Legal Opinion on the Section 106 Investigation Report.

He confirmed that the registration of projects was a concern and that same was raised at the Provincial and National level. He assured members that going forward, the Municipality would ensure that the projects were registered accordingly.

The General Manager: Water Services explained to members that in terms of the Malangen Low-Cost Housing Project, a notice of registration was received in May 2020 for the Second Phase of the project to the value of 170 million.

He reported that the other two projects were pending approval for the additional funding application for the Farm Isonti Project and the Mistake Farm Project. He informed members that the Municipality was in constant communication with the Province. He further reported that the site visits had already been conducted.

In terms of the Mkhombe Sanitation Project and the Merlewood Mixed Income Housing: Bulk Water Infrastructure project, he explained to members that in March 2020, the Municipality had approved for the appointment of a new Panel of Consultants and due to the Lock Down and other technicalities that were experienced, the tender was cancelled and re-advertised.

He further advised members that the said tender was currently in the final stages of the procurement process; hence same resulted in the non-implementation of the said projects.

Cllr Ngubo reminded members that the Executive Committee previously agreed that the overtime should not exceed the 40 hours threshold and that in the event of more than 40 hours, an application for the overtime exceeding the 40-hour threshold, should be approved by the Accounting Officer.

The General Manager: Corporate Services confirmed that the overtime exceeding 40 hours was approved by the Accounting Officer. He further commended the Water Services Department for complying to the 40 hours threshold.

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

Following which,

It was

RESOLVED:

- a) That the report regarding the Adjustment Budget 2020 / 2021- Ugu District Municipality be and is hereby **NOTED**.
- b) That the Adjustments Budget 2020/2021 be and is hereby **APPROVED**, 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) That the Budget Funding and Financial Recovery Plan be and is hereby **NOTED**.
- d) That the Budget Funding and Financial Recovery Plan be and is hereby **APPROVED**.

C 374/01/21 Adjustment Budget 2020 / 2021- Ugu South Development Agency

The Acting General Manager: Budget and Treasury Office took members through the adjustments Budget 2020 / 2021- Ugu South Development Agency.

She apprised members that there were savings that were identified on certain projects and that the same funds were redirected to other projects. She mentioned that the Ugu South Coast Development Agency made an adjustment of R340,000.00.

Following which,

It was unanimously

RESOLVED:

- a) That the report regarding the Adjustment Budget 2020 / 2021- Ugu South Development Agency be and is hereby **NOTED**.

- b) That the report regarding the Adjustment Budget 2020 / 2021 - Ugu South Development Agency be and is hereby **APPROVED**.

C 375/01/21 Adjustment Budget 2020 / 2021- Ugu South Coast Tourism Entity

The Acting General Manager: Budget and Treasury Office took members through the item.

She apprised members that in terms of the Income, the Ugu South Coast Tourism Entity had made an adjustment of R2,044,591.00.

On the Expenditure Summary, she pointed out that said expenditure was broken down into the following, namely:

- Capital; and
- Operational.

Cllr Ngubo sought clarity if the invitation to attend this meeting was also extended to the Senior Officials from both the Entities.

Cllr Ngcobo requested that the Acting Municipal Manager should be tasked with the responsibility to brief Council on the protocols between the Ugu District Municipality as the mother body of the Entities.

Sharing the same sentiments, the Speaker pointed out that the said Entities should have also been invited to the joint meeting of the Executive Committee and the Portfolio Committee on Finance.

It was noted that both the Ugu South Coast Development Agency and the Ugu South Coast Tourism Entity confirmed their attendance at the meeting.

The Acting Municipal Manager confirmed that the Budgets and Adjustment Budgets for both the Entities were approved by the Boards and submitted to the Council.

Following which,

It was unanimously

RESOLVED:

- a) That the report regarding the Adjustment Budget 2020 / 2021- Ugu South Coast Tourism Entity be and is hereby **NOTED**.
- b) That the report regarding the Adjustment Budget 2020 / 2021- Ugu South Coast Tourism Entity be and is hereby **APPROVED**

C 376/01/21 Financial Ratios for the Financial Year 2018/2019 & 2019/2020

The Acting General Manager: Budget and Treasury Office took members through the item.

She pointed out that the Municipality was not performing and further drew the attention of members to the items that were highlighted in red.

Cllr Henderson requested that the members should be presented with a proper report at the next meeting. He referred members to a table reflecting the Financial Ratios for the Financial Years 2018/19 to 2019/20 and pointed out with concern that the Municipality had only achieved 13 results out of 33. He further advised that the Municipality should try and improve on same.

Cllr Dlamini stressed concern on the number of results that were highlighted in red.

Responding, the Acting General Manager: Budget and Treasury Office confirmed that there was a plan that was put in place that would be addressing the said concerns.

Following which,

It was unanimously

RESOLVED:

That the report on the Financial Ratios for the Financial Year 2018/2019 & 2019/2020 be and is hereby **NOTED**.

C 377/01/21 MINUTES FROM COMMITTEES

It was noted that there were none.

C 378/01/21 URGENT MATTERS

It was noted that there were none.

IN-COMMITTEE MATTERS

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

C 379/01/21 In-Committee Minutes of the 46th Meeting of the Ugu District Municipal Council held on 28 January 2021

The Speaker took members through the confirmation of the In-Committee minutes for the 46th meeting of the Ugu District Municipal Council held on 28 January 2021.

Following which,

It was unanimously

RESOLVED:

That the In-Committee Minutes of the 46th Meeting of the Ugu District Municipal Council held on 28 January 2021, be and are hereby **CONFIRMED**.

C 380/01/21 Acting Appointment of the Chief Financial Officer

The Acting Municipal Manager took members through the item.

Following which,

It was

RESOLVED:

- (a) That the report regarding the Acting Appointment of the Chief Financial Officer (CFO) be and is hereby **NOTED**.
- (b) That the Acting Appointment of the Chief Financial Officer (CFO), Ms L Sotshede be on a month-to-month basis for a maximum period of three (3) months with effect from March 2021 to May 2021 be and is hereby **APPROVED**.

C 381/01/21 Recruitment Plan: Chief Financial Officer (CFO)

The Acting Municipal Manager took members through the item.

Following which,

It was

RESOLVED:

- (a) That the report on the Recruitment Plan for the position of the Chief Financial Officer (CFO) be and is hereby **NOTED**.
- (b) That the Recruitment Plan for the position of the Chief Financial Officer (CFO) be and is hereby **APPROVED**.

C 382/01/21 Recruitment Plan: General Manager: Economic Development and Environmental Services (EDES)

The Acting Municipal Manager took members through the item.

Following which,

It was

RESOLVED:

- (a) That the report on the Recruitment Plan for the position of the General Manager: Economic Development and Environmental Services (EDES) be and is hereby **NOTED**.
- (b) That the Recruitment Plan for the position of the General Manager: Economic Development and Environmental Services (EDES) be and is hereby **APPROVED**.

C 383/01/21 Disciplinary Matters

The Acting Municipal Manager took members through the item.

Following which,

It was unanimously

RESOLVED:

- (a) That the report regarding the Disciplinary Matters be and is hereby **NOTED**.
- (b) That the status on the Disciplinary Matters for the Managers and Officers that have matters against them from the Section 106: Forensic Investigation Report be and is hereby **NOTED**.

C 384/01/21 Appointment of Audit Committee Member

The Acting Municipal Manager took members through the item.

Following which,

It was unanimously

RESOLVED:

- (a) That the report on the Appointment of the Audit Committee Member be and is hereby **NOTED**.
- (b) That the appointment of Mr Ashley Gonzalves to serve as an external member of the Audit Committee be and is hereby **APPROVED**.

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

C 385/01/21 DATE OF NEXT MEETING

It was noted that the date of the next meeting was scheduled for 25 March 2021.

C 386/01/21 CLOSURE

There being no further items for discussion, the Speaker declared the meeting closed at 14h31.

CHAIRPERSON: -----

DATE: -----