

UGU DISTRICT MUNICIPALITY

**MINUTES OF THE 46TH MEETING OF THE UGU DISTRICT MUNICIPAL COUNCIL
HELD IN THE COUNCIL CHAMBER, RAY NKONYENI LOCAL MUNICIPALITY, ON
THURSDAY, 22 JANUARY 2026, AT 11H00**

Cllr SR Ngcobo - Speaker

IS Mqadi (Mayor), D Nciki (Deputy Mayor), SN Caluza (Exco Member), FM Ngwane (Exco Member), GD Henderson (Exco Member), P Breedt, NT Dlamini, SP Fica, SV Duma, TT Hlophe, SE Khawula, SA Ngcece, NY Mweshe, MJ Cele-luthuli, NO Mazubane, MM Mbatha, SEH Mngoma, SD Mdluli, PZ Mzindle, TH Msabala, SP Mthethwa, Z Opperman, PC Shange, B Nyuswa, MP Shoji, J Schmidt, MP Tenza, MV Vezi, MPL Zungu, and LS Zungu

BY INVITATION:

Inkosi EZ Jali	
Mr M Coates	- Auditor-General SA
Mr K Madlala	- Auditor-General SA
Dr V Sibiya	- South Coast Tourism & Investment Enterprise (SCTIE)
Ms D Ludick	- South Coast Tourism & Investment Enterprise (SCTIE)
Mr S Dlomo	- South Coast Tourism & Investment Enterprise (SCTIE)
Mr AD Gonzalves	- Chairperson: Audit Committee

IN ATTENDANCE:

Mr VO Mazibuko	- Municipal Manager
Mr K Audan	- General Manager: Budget and Treasury Office (BTO)
Ms D Rankin	- General Manager: Economic Development and Environmental Services (EDES)
Dr T Mwelase	- General Manager: Water Services
Ms MP Gobhozi	- General Manager: Corporate Services
Ms F Mbili	- Senior Manager: Corporate Strategy and Shared Services
Mr S Kati	- Chief Audit Executive (CAE)
Ms N Mbambo	- Manager: Legal Services
Ms N Gumbi	- Manager: Human Resources
Mr A Mbhele	- Manager: Administration & Auxiliary Services
Ms S Nzama	- Intern: Secretariat Unit
Ms B Malishe	- Committee Co-ordinator: Secretariat Unit
Ms T Kikine	- Acting Administrative Officer: Secretariat Unit

• OPENING

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

He also took the opportunity to formally welcome the Auditor-General (AG), the Chairperson of the Audit Committee and the representatives from South Coast Tourism and Investment Enterprise (SCTIE).

C 01/01/26 NOTICE OF MEETING

The notice of the meeting was taken as read.

C 02/01/26 APPLICATIONS FOR LEAVE OF ABSENCE

It was also noted that Cllrs JS Ngwane (*family commitment*), MA Manyoni (*sick leave*), NA Njenga (*party commitment*), N Ndadane (*party commitment*), AW Gege (*party commitment*), X Nkasa (*party commitment*), and SE Khawula (*sick leave*) had requested leave of absence from the meeting.

It was also noted that Cllr MP Shoji would join the meeting late.

It was further noted that Inkosi MP Ngcobo and Inkosi MBW Xolo had requested leave of absence from the meeting.

Following which,

It was unanimously

RESOLVED:

- (a) That Cllrs JS Ngwane (*family commitment*), MA Manyoni (*sick leave*), NA Njenga (*party commitment*), N Ndadane (*party commitment*), AW Gege (*party commitment*), X Nkasa (*party commitment*), and SE Khawula (*sick leave*) be and are hereby **GRANTED** leave of absence from the meeting.
- (b) That the request for Cllr MP Shoji to join the meeting late be and is hereby **GRANTED**.
- (c) That the apologies received on behalf of Inkosi MP Ngcobo and Inkosi MBW Xolo be and are hereby **GRANTED**.

C 03/01/26 DECLARATION OF INTEREST

It was noted that there were none.

C 04/01/26 CONFIRMATION OF AGENDA

The Speaker took members through the confirmation of the agenda.

The Municipal Manager requested that Item 10.1, *Tabling of the Audit Report*, be presented immediately after Item 5.1 on the agenda.

Thereafter, Cllr Mthethwa moved for the acceptance of the agenda and was seconded by Cllr Opperman.

Following which,

It was

RESOLVED:

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

- (b) That Item 10.1, *Tabling of the Audit Report*, be presented immediately after Item 5.1 on the agenda.

CONFIRMATION OF MINUTES

C 05/01/26 **Minutes of the 45th Meeting of the Ugu District Municipal Council held on 27 November 2025**

The Speaker took members through the confirmation of the minutes for the 45th meeting of the Ugu District Municipal Council held on 27 November 2025.

Thereafter, Cllr Mthethwa moved for the acceptance of the minutes and was seconded by Cllr Opperman.

Following which,

It was

RESOLVED:

That the minutes of the 45th Meeting of the Ugu District Municipal Council held on 27 November 2025 be and are hereby **CONFIRMED**.

RESOLUTIONS REGISTER

C 06/01/26 **Resolutions Register for the 45th Meeting of the Ugu District Municipal Council held on 25 September 2025**

The Speaker took members through the Resolutions Register for the 45th meeting of the Ugu District Municipal Council held on 27 November 2025.

Following which,

It was unanimously

RESOLVED:

That the Resolutions Register for the 45th Meeting of the Ugu District Municipal Council held on 27 November 2025 be and is hereby **CONSIDERED** and **NOTED**.

OUTSTANDING MATTERS

C 07/01/26 It was noted that there were none.

STANDING ITEMS

C 08/01/26 **Monthly Birthday Greetings: Councillors, Amakhosi and Senior Managers**

The Speaker conveyed birthday wishes on behalf of Council to the following Councillors, the Traditional Leaders and the Senior Managers who celebrated their birthday during the month of January 2026, namely:

- Cllr MPL - 05 January

Following which,

It was unanimously

RESOLVED:

That the Monthly Birthday Greetings for Councillors, Amakhosi and Senior Managers for the month January 2026 be and is hereby **NOTED**.

C 09/01/26 Water Supply Status Quo Report

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

She apprised members on the status of the water systems throughout the Ugu District and provided a detailed report on the water supply that included successful shutdowns, restoration of supply, pipeline replacement projects, challenges faced, and the ongoing efforts to improve the system.

She then highlighted the updates on the water supply status quo in each of the following areas, namely:

- Area South Central;
- Area South;
- Area North; and
- Area South-West.

She advised members that a spreadsheet was included in the report as an annexure indicating all the issues that were raised by members in the previous meeting including the progress on each of the line items.

With regard to the sanitation issues, she assured members that the Municipality was attending them as and when they were received.

Cllr Henderson advised members that, during the Performance Review held yesterday on 21 January 2026, he had enquired if the General Manager: Water Services would be providing a comprehensive update on the water outages that had impacted the Northern and Southern lines. He further reported that the majority of areas surrounding Pumula, Hibberdene, and Stickfarm remained without water supply.

Cllr Mdluli sought clarity on the operational challenges encountered by Umzinto Water Plant in December 2025.

Cllr Mthethwa reported the ongoing water supply issue in Sihlonyaneni, Ward 18 under Umzumbe, as well as in the surrounding areas of Umthwalume. He raised concerns regarding the delays in the KwaMadlala project, including the incomplete borehole in Ward 17 at Endliniyokuphephela. He further requested that the water tankers should be allocated to Ward 13 for a minimum of four (4) days per week, instead of the current two (2) days per week.

Cllr Schmidt referenced Extension 3 in Margate, highlighting a persistent issue affecting 15 roads that had experienced prolonged water outages. He reported that, for the past six (06) months, the water supply had consistently been interrupted after 5:00 am, only being restored late in the evening. Furthermore, he noted that Margate Airport currently lacked water supply, indicating a critical underlying line issue that demanded immediate and urgent intervention.

Cllr Dlamini commended the water provisions delivered during the Peak Season in December 2025, highlighting the effective water quality management and sanitation measures, and noting that there were no issues that were reported.

Commenting, Cllr Mbatha reported the following areas under Umzumbe Local Municipality that did not have water and in certain instances the water pipes did not reach the said areas, namely:

- Etsheni area;
- The entire area under Inkosi R Qwabe;
- Mnambithi area;
- Ward 13 – Next to the UCC Church.

Responding, the General Manager: Water Services acknowledged the comments and inputs received from the members. In response to Councillor Mdluli's inquiry regarding the operational challenges faced by Umzinto Water Plant in December 2025, she confirmed that there were several issues that were encountered, primarily relating to the power outages, which were subsequently resolved.

It was unanimously

RESOLVED:

- (a) That the report on the Water Supply Systems Status Quo be and is hereby **CONSIDERED** and **NOTED**.
- (b) That the concerns relating to the persistent issues affecting the 15 roads which had experienced prolonged water outages in the Margate, Extension 3 be attended.
- (c) That the issue of no water supply relating to the Margate Airport be attended seeing that same indicated a critical underlying line issue which demanded immediate and urgent intervention.
- (d) That water tankers be allocated to Ward 13 under Umzumbe Local Municipality for a minimum of four (4) days per week, instead of the current two (2) days per week.

C 10/01/26 SALGA Monthly Report

It was noted that there was no report.

C 11/01/26 Human Rights Commission Inquiry

It was noted that there was no report.

C 12/01/26 SECTION 79 REPORTS

It was noted that there was no report.

MATTERS FOR DISCUSSION

C 13/01/26 Tabling of the Audit Report by the Auditor General (AG)

Mr Madlala took members through the item.

He reported a remarkable improvement regarding the Audit Opinion for the financial year 2024/2025; whereby both the Municipality as well as the South Coast Tourism and Investment Enterprise (SCTIE) were just a step away from receiving a clean Audit Opinion.

He then handed over to Mr Coates to present the Audit Report for the 2024 /2025 Financial Year, who subsequently highlighted the following aspects namely:

- Mission and Vision;
- All have a Role to Play in Accountability Ecosystem;
- 2023/2024 Recommendations;
- Overall audit Outcomes;
- Financial Statements – Accounting for Financial Performance;
- Performance Planning and Reporting for Service Delivery;
- Achieving Key Performance Targets – Summarised Information from Key Programmes;
- Material Findings on Compliance with Key Legislation;
- Risk – Weakness in Procurement and Contract Management;
- Reflection on Unauthorised, Irregular, Fruitless and Wasteful Expenditure;
- Financial Health;
- Key Findings in Information Technology (IT) Environment;
- Value Add: Infrastructure;
- Infrastructure Delivery – Waste Water Treatment Works;
- Material Irregularities;
- Material Irregularity (MI) Definition and Process;
- Intent of our Expended Mandate;
- Material Irregularities (MIs) Identified and Status;
- Detailed MI Status;
- Call of Action;
- South Coast Tourism and Investment Enterprise (SOC) Ltd; and
- Overall Audit Outcome.

Continuing, he further guided members through the South Coast Tourism and Investment Enterprise (SCTIE) audit outcomes, whereby he highlighted the expenditure management findings that were identified during the audit. He mentioned that the said findings were tested against the quality of the Financial Statements and performance information and were found to stem from similar instances of non-compliance to those identified at the Ugu District, particularly in relation to confirmed invoices and unauthorized expenditure.

The Speaker formally expressed appreciation to the Honourable Mayor, the Municipal Manager, the Audit Committee, the Municipal Public Accounts Committee (MPAC), and the Entity for their exemplary performance and the commendable achievements attained in respect of the audit outcome. He subsequently afforded members the opportunity to place their commendations on record in respect of the audit outcome that had been tabled.

(At that stage of the proceedings, Cllr MP Shoji joined the meeting at 11h15).

Cllr Mthethwa commended the good work that was done by the Municipality in achieving the great new in terms of the audit outcome.

The Municipal Manager thanked Management and the Leadership for providing exceptional leadership skills and providing guidance and stability in the Municipality. He

also thanked all the Heads of Departments for their unwavering support and providing strategic leadership to the Municipality, which became evident in the improvement of service delivery.

He pointed out that the said audit outcome would not have been achieved without the continuous support and assistance of the Auditor-General (AG), the Audit Committee, and the Municipal Public Accounts Committee (MPAC).

(At that stage of the proceedings, Cllr TH Msabala joined the meeting at 11h41).

The Chairperson of the Audit Committee noted that the Municipality was now closer to achieving a clean audit outcome. He highlighted that the primary reason the Municipality had not yet secured a clean audit was due to challenges related to financial stability, including the presence of significant outstanding debtors.

In closing, Mr. Madlala emphasized the importance of continuously collecting accounts, noting that achieving a clean audit was a daily commitment rather than something that the Municipalities should focus on only during the audit period.

The Mayor expressed his appreciation to the Council, the Municipal Manager and Management, the Audit Committee, and the Municipal Public Accounts Committee (MPAC) for their collective contribution to the achievement. He further committed that the Municipality would intensify its efforts toward attaining a clean audit outcome in the next financial year, whilst acknowledging that it would be a demanding and complex undertaking.

Continuing, he then informed members that on Wednesday, 21 January 2026, he attended the Performance Reviews meeting, during which it was reported that the Municipality had achieved a 100% performance rate across all the 224 targets.

At that stage of the proceedings, the Auditor-General was excused from the meeting.

Following which,

It was unanimously

RESOLVED:

That the Tabling of the Audit Report by the Auditor General (AG) be and is hereby **CONSIDERED** and **NOTED**.

Draft AG Management Corrective Action Plans

The Municipal Manager took members through the item.

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

Following which,

It was

RESOLVED:

- (a) That the report on the Draft AG Management Corrective Action Plans be and is hereby **CONSIDERED**.

- (b) That the Draft AG Management Corrective Action Plans be and is hereby **ADOPTED**.

C 15/01/26 Ugu District Municipality – Mid-Year Budget & Performance Report for the Year 2025/2026 (S52, S71 and S72)

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

It was noted that the purpose of the report was to comply with S52, S71 and S72 of the MFMA and the requirements of the Municipal Budgeting and Reporting Regulations.

Thereafter, Cllr Msabala moved for the acceptance of the recommendations and was seconded by Cllr Shozi.

Following which,

It was

RESOLVED:

- (a) That the report on the Ugu District Municipality – Mid-Year Budget & Performance Report for the Year 2025/2026 (S52, S71 and S72) be and is hereby **CONSIDERED** and **NOTED**.
- (b) That Ugu District Municipality – Mid-Year Budget & Performance for the Year 2025/2026 (S52, S71 and S72) be and is hereby **APPROVED**.

C 16/01/26 Ugu District Municipality- November 2025 Monthly Budget Statement

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

It was noted that the objective of the report was to inform members about the Monthly Budget Statement for November 2025, in compliance with Section 71 of the Municipal Finance Management Act (MFMA).

Thereafter, Cllr Mthethwa moved for the acceptance of the recommendations and was seconded by Cllr Caluza.

Following which,

It was

RESOLVED:

- (a) That the report on the Ugu District Municipality for the month of November 2025 Monthly Budget Statement be and is hereby **CONSIDERED**.
- (b) That the Monthly Budget Statement for the month of November 2025 be and is hereby **APPROVED**.
- (c) That the Monthly Budget Statement for the month of November 2025 and the supporting documents be submitted to both the Provincial and National Treasury in both electronic and hard copies.

C 17/01/26

Temporal Increase of Short-Term Debt Facility

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

Thereafter, Cllr Mthethwa moved for the acceptance of the recommendations and was seconded by Cllr Ngcece.

Following which,

It was

RESOLVED:

- (a) That the report on the Short-Term Debt Facility be and is hereby **NOTED**.
- (b) That the Short-Term Debt Facility be and is hereby **APPROVED** with the following terms, namely:
 - A temporary short-term debt facility increase of R15 000 000.00 to the existing facility of R15 000 000 which would result in a total facility amounting to R30 000 000.00;
 - That the additional amount of R15 000 000.00 be settled in March 2026, upon receipt of the Equitable Share. The remaining balance of R15 000 000 be settled in June 2026; and
 - That the Municipal Manager be and is hereby **AUTHORISED** to sign the facility letter and agreement from the Standard Bank on behalf of the Municipality, as a normal standard procedure.

C 18/01/26

Umtamvuna Electrical Power Upgrade Progress Report

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

In terms of the permanent project, she reported that the Municipality had requested an extension from Eskom, as the original cut-off date had been set for December 2025. She further advised that Eskom had subsequently granted an extension for a period of six (06) months for Ugu District Municipality to further engage the Alfred Nzo District Municipality.

She indicated that the Municipal Manager had submitted a written correspondence to the Office of the MEC, requesting that the KwaZulu-Natal Department of Cooperative Governance and Traditional Affairs (CoGTA) refrain from withdrawing the allocated funds and instead grant the Municipality an extension. She pointed out that the said request included also requesting the MEC to engage CoGTA in the Eastern Cape to exert the necessary pressure on the Alfred Nzo District Municipality.

With respect to the temporary line, she indicated that voltage imbalance issues had been identified and were currently being addressed. She further confirmed that the appointed service provider was expected to stabilize and regulate the voltage by 26 January 2026, with full completion of the project anticipated by mid-February 2026.

Adding, the Municipal Manager informed members that he had conducted a site visit to the Umtamvuna River together with the Mayor, where water abstraction activities were currently taking place.

He then reported a series of incidents involving the theft of water meters in the Margate and Manaba areas. He extended appreciation to the General Manager: Corporate Services, as well as the internal Security personnel, for their swift and coordinated

response in collaboration with the Wolf Security Services, which had resulted in five (05) arrests made.

He further reported that a prior arrest had been made in connection with an individual who had tampered with water infrastructure in Izingolweni, within the Eshobeni area, and the said individual was subsequently convicted and sentenced to 15 years' imprisonment.

Cllr Breedts informed members that the situation at Umtamvuna area was significantly more severe than what was reported. He raised a concern that the residents have had no access to the water supply since 19 December 2025. He then recommended that the Municipality should issue an official statement on the matter within 48-hours of the major shutdown. He further enquired whether there were any meetings of the Recess Committee that were convened in December 2025, to discuss and give political guidance on the reported water supply issues.

Following which,

It was unanimously

RESOLVED:

- (a) That the Umtamvuna Electrical Power Upgrade Progress Report be and is hereby **CONSIDERED** and **NOTED**.
- (b) That the Municipality issues an official statement on the matter within 48-hours of the major shutdown.

MATTERS FOR CONSIDERATION FROM COMMITTEES

Extracts from the Draft Minutes of the Municipal Accounts Committee (MPAC) held on 16 January 2026

C 19/01/26

2024/2025 Annual Reports for the Ugu and the South Coast Tourism & Investment Enterprise (SCTIE)

The Speaker took members through the item.

Thereafter, Cllr Mngoma moved for the acceptance of the recommendations and was seconded by Cllr Nyuswa.

Following which,

It was

RESOLVED:

- (a) That the report regarding the 2024/2025 Ugu Annual Report and the Ugu South Coast Tourism and Investment Enterprise Annual Report be and is hereby **CONSIDERED**.
- (b) That the 2024/2025 Ugu Annual Report and the Ugu South Coast Tourism and Investment Enterprise Annual Report be released for public participation.
- (c) That all the public participation inputs be submitted to Ugu District Municipality by 13 February 2026.

C 20/01/26 MINUTES FROM COMMITTEES

It was noted that there were none.

**C 21/01/26 URGENT MATTERS
(SCTIE): Quarter 2 PMS Report inclusive of Mid Term Performance Report, Mid Term Adjustment Budget 2026 and 150 day Draft Budget 2027**

The Speaker took members through the item.

Thereafter, Cllr Opperman moved for the acceptance of the recommendations and was seconded by Cllr Mazubane.

Following which,

It was

RESOLVED:

- (a) That the report on the (SCTIE) for Quarter of the 2025/2026 Financial Year 2 PMS Report inclusive of the Mid-Term Performance Report, the Mid-Term Adjustment Budget 2026 and 150 day Draft Budget 2027 be and is hereby **CONSIDERED**.
- (b) That the (SCTIE) for Quarter 2 Performance Report of the 2025/2026 Financial Year be and is hereby **APPROVED** which included:
- The 2026 - Mid-Year Performance Review;
 - The 2026 - Mid-Term Adjustment Budget; and
 - The First Draft Budget (150 days) before the start of the 2027 Financial Year, which had been approved by the Board of Directors on 15 January 2026.

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

**C 22/01/26 IN-COMMITTEE MATTERS
In-Committee Minutes of the 45th Meeting of the Ugu District Municipal Council held on 27 November 2025**

The Speaker took members through the In-Committee Minutes of the 45th Meeting of the Ugu District Municipal Council held on 27 November 2025.

Following which,

It was unanimously

RESOLVED:

That the In-Committee Minutes of the 45th Meeting of the Ugu District Municipal Council held on 27 November 2025 be and are hereby **CONSIDERED** and **NOTED**.

C 23/01/26 Report on the Vacancy Declaration for the Position of General Manager: Economic Development & Environmental Services

The Speaker took members through the item.

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

Following which,

It was

RESOLVED:

- (a) That the report on the Vacancy Declaration for the Position of General Manager: Economic Development & Environmental Services with effect from the 01 May 2026 be and is hereby **NOTED**.
- (b) That the vacancy declaration of the General Manager: Economic Development & Environmental Services with effect from the 01 May 2026 be and is hereby **APPROVED**.
- (c) That the Recruitment and the Selection process be started in February 2026 to ensure adherence to the Regulations on the appointment and conditions of employment of Senior Managers 2014 be and is hereby **APPROVED**.

C 24/01/26 Determination of Upper Limits of Salaries, Allowances and Benefits for Ray Nkoyeni Representatives

The Speaker took members through the item.

Thereafter, Cllr Mthethwa moved for the acceptance of the recommendations and was seconded by Cllr Luthuli.

Following which,

It was

RESOLVED:

- (a) That the report on the Determination of Upper Limits of Salaries, Allowances and Benefits for Ray Nkoyeni Representatives be and is hereby **CONSIDERED**.
- (b) That the implementation of the meeting fees for the Ray Nkoyeni Representatives as per the provisions of Section 6 (1) (b) of the Government Gazette No. 51419 be and is hereby **APPROVED**.

C 25/01/25 Determination of Upper Limits of Total Remuneration Packages to Municipal Managers and Managers directly accountable to the Municipal Managers (2024/2025 Financial Year)

The Speaker took members through the item.

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

Following which,

It was

RESOLVED:

- (a) That the report on the Determination of Upper Limits of Total Remuneration Packages to Municipal Managers and Managers directly accountable to the Municipal Managers (2024/2025 Financial Year) be and is hereby **NOTED**.
- (b) That the provisions of Gazette No. 53882 on the Upper Limits of Total Remuneration Packages Payable to Municipal Managers and Managers directly accountable to the Municipal Managers be and is hereby **APPROVED**.
- (c) That the payment of the cost-of-living adjustment on the upper limits of the total remuneration packages payable to Senior Managers for the 2024/2025 Financial Year be paid for the period effective on 01 July 2024 be and is hereby **APPROVED**.
- (d) That the Senior Manager's back payment for the period of July 2024 to January 2026, be paid with their salaries during the February 2026 pay run be and is hereby **APPROVED**.

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

C 26/01/26 DATE OF NEXT MEETING

It was noted that the date of the next meeting was scheduled for 26 March 2026.

C 27/01/26 CLOSURE

In closing, the Speaker expressed gratitude to all present for their co-operation and participation in the meeting.

With no further items for discussion, the Speaker declared the meeting closed at 12h40.

CHAIRPERSON: -----

DATE:-----