

MAKANA MUNICIPALITY

MINUTES OF THE SPECIAL COUNCIL MEETING HELD IN THE COUNCIL CHAMBER ON THURSDAY, 30 MARCH 2023 AT 09H00

PRESENT:

1. Cllr. Matyumza Mtutuzeli- Speaker
2. Cllr. Vara Yandiswa - Executive Mayor
3. Cllr. Cetu Zodwa
4. Cllr. Clark Carolyn
5. Cllr A. Deke
6. Cllr. Embling Geoffrey
7. Cllr. Geelbooi M
8. Cllr. Hoyi ZaneKhaya
9. Cllr. Jezi Vuyani Nelson
10. Cllr. Madyo Xolani
11. Cllr. Masinda Lunga
12. Cllr. Matebese Thandisizwe
13. Cllr. Matina Wandisile Eric
14. Cllr. Mene Gcobisa
15. Cllr. Nkwentsha Mzobanzi
16. Cllr. Peter Phumelele
17. Cllr. Sixaba Lungisa
18. Cllr. Vayo Thandolwethu
19. Cllr. Xonxa Mphumzi
20. Cllr. Yaka Thozamile
21. Cllr. Zono Sakhiwo

IN ATTENDANCE:

- Mr. P. Kate - Municipal Manager
Mr. X. Kalashe – Dir. Corp. Services
Mr. K. Makgoka – Dir PSCS
Mrs. A. Gidana – Director EIS
Mrs. N. Ntsangani – CFO
Mrs. N. Eddie – Director LED
Ms. N. Santi – Manager Speakers Office
Mr. M. Pasiya – Manager PMS
Mrs. N. Mbanjwa – Manager Legal
Mr. V. Wali – Manager SPU
Mr. L. Ngandi – Manager MM Office
Mrs. L. Kate– Committees

APOLOGIES

Cllr. Booysen Mzamo
Cllr. Buwa Nolutando
Cllr. Luvuyo Sizani

ABSENT

Cllr. Jackson Brian
Cllr. Mantla Zonwabele
Cllr. Nesi Vuyani

SC 1

OPENING

The Speaker opened the meeting and welcomed everyone and asked Cllr Xonxa to lead the meeting with a prayer. She shared the news of the passing of Mr Thobile Mhlahlo of Nelson Mandela Metro and expressed the wish that his soul may rest in peace.

SC 2

APPLICATION FOR LEAVE OF ABSENCE (WRITTEN APOLOGIES)

None.

SC 3

STATEMENT BY THE EXECUTIVE MAYOR

The Executive Mayor, after greeting everyone, announced that she would make her opening statement when presenting the Draft IDP and Budget for the 2023-24 Financial Year.

SC 4

OFFICIAL ANNOUNCEMENTS – MUNICIPAL MANAGER

- a) The MM reminded the Council that the Council retreat will take place on Monday, 03-04 April 2023.
- b) There will be a stakeholder engagement meeting on 06 April 2023.

SC 5

DISCLOSURE OF INTEREST

None.

SC 6

REPORTS BY THE MUNICIPAL MANAGER (AS PER THE AGENDA)

SC6.1

MAKANA LM FRP IMPLEMENTATION PROGRESS FOR 2022/23 FINANCIAL YEAR AS AT 28 FEBRUARY 2023

CONSIDERED:

Report dated 24 March 2023 from the Municipal Manager.

The Council **NOTED:**

- a) The RFP Implementation progress report for the 2022/2023 financial year as of 28 February 2023.

- b) The unfunded mandate of DSRAC, which was raised as an issue, remains unresolved. A follow up meeting was held on 07 March 2023 and there was poor attendance by other sector departments. The Provincial Treasury used the meeting as a status update to bring the newly appointed MM on board. This is so that he can familiarise himself with FRP matters.
- c) The Provincial Treasury advised the meeting on the unfunded mandate for DSRAC as the municipality spends over R12 million on this function whilst receiving only R4 million for each financial year. The R8 million deficit has been raised as an audit query.
- d) The Portfolio Chairpersons should attend the workstreams meetings.
- e) The Executive Mayor should also engage the MEC on the issue of DSRAC, and the matter should be discussed in the MUNIMEC.

The Council **RESOLVED:**

- a) THAT the FRP Implementation progress report for the 2022/23 financial year as of 28 February 2023 be NOTED.
- b) THAT the Council mandates the Executive Mayor to write to DSRAC and other stakeholders and agencies on the unfunded mandate to look at the available options.

Moved by Councillor Hoyi and seconded by Councillor Vayo.

SC 6.2

DRAFT BUDGET FOR 2023/24 MTREF

CONSIDERED:

Report dated 24 March 2023 from the Municipal Manager.

The Council **NOTED:**

- a) The Executive Mayor's speech will be done in alignment with the tabling of the draft IDP 2023/24.
- b) Both Councillor Sixaba and Clark raised their concerns regarding the notice on the 6% tariffs increase. Service charges and a lack of services in the communities.
- c) The 6% tariff increase is based on a viable budgeted).
- d) The CFO reported that an application to NERSA to increase tariffs to 15% will be sent. Eskom has increased its tariffs to 18%.
- e) The proposed budget under Sport facilities should also include other areas with Sports fields as they are all unpleasing to use by the communities.
- f) A movement is underway to address sports facilities. The tender for the demolition of the ablutions in Dlepu stadium was advertised on 29 March 2023. An application for the upgrade of Dlepu stadium has been submitted to DSRAC.
- g) An institutional Sport master plan should be developed, and the implementation of the by-laws as part of the tools in revenue enhancement should be discussed in the Portfolio Committee meetings.
- h) The misuse of municipal vehicles and that the SMT should expedite the issue with the Fleet Manager. A budget for maintenance of municipal vehicles should be provided.

- i) l) Review the tariffs for community halls. If currently the tariffs help revenue enhancement. Also, if the municipality generates income in fines and rentals if they are market related.
- j) The issue of consequence management needs to be strengthened. In the report, it is stated that there is a lack of planning and poor performance. Those responsible for poor planning and poor performance should be held accountable and liable based on the Auditor General's report.
- k) The CFO should be informed of any discrepancies in the draft budget.

The Council **RESOLVED** THAT the 2023/24 MTREF draft annual budget based on proposed expenditure and revenue for the three-year period as outlined in the budget recommendations contained in the budget document be ADOPTED.

Moved by Councillor Nkwentsha and seconded by Councillor Matebese.

SC 6.3

NOTICE OF THE TERMINATION OF THE EMPLOYMENT CONTRACT FOR THE DIRECTOR OF PUBLIC SAFETY AND COMMUNITY SERVICES AND THE REQUEST FOR APPROVAL OF ADVERTISING FOR THE POSITION.

CONSIDERED:

Report dated 02 March 2023 from the Municipal Manager.

The Council **NOTED:**

- a) The Director of Public Safety and Community Services recused himself.
- b) As per the legislation, the MM should be permitted to look for an expert to serve on the panel.
- c) The panel will be given a responsibility to conduct the shortlisting and appointment process and report back to Council.

The Council **RESOLVED:**

- a) THAT the employment contract for the Director: Public Safety and Community Services will end at the end of June 2023 be NOTED.
- b) THAT the Council declare the vacancy.
- c) THAT the advertisement for the Director: Public Safety and Community Services position be APPROVED.
- d) THAT the panel establishment be established according to the legislation, act 14 of January 2014 be APPROVED.

Moved by Councillor Hoyi and seconded by Councillor Madyo.

SC 6.4

OVERSIGHT REPORT ON THE FINAL ANNUAL REPORT FOR 2021-2022 FINANCIAL YEAR

CONSIDERED:

Report dated 27 March 2023 from the Municipal Manager.

The Council **NOTED** that the oversight report should align with the Auditor General's report.

The Council **RESOLVED:**

- a) THAT the Oversight report and FINAL ANNUAL REPORT for 2021-2022 be APPROVED.
- b) THAT the recommendations of the MPAC regarding the annual report oversight be APPROVED.
- c) THAT any adjustment to the Annual report be included before it is sent to Provincial COGTA.

Moved by Councillor Clark and seconded by Councillor Sixaba.

SC 6.5

DRAFT INTERGRATED DEVELOPMENT PLAN (IDP) 2023-2024

CONSIDERED:

Report dated 27 March 2023 from the Municipal Manager.

The Executive Mayor made the following statement in presenting the draft IDP for 2023-2024 and the draft annual budget for 2023/2024 financial year.

"Honourable Speaker, Members of the Mayoral Committee, Councillors, Municipal Managers, Directors, Managers, and members of the public present good morning.

Speaker, it is my pleasure to present the first review of the Integrated Development Plan (IDP) for 2023-24 financial year and the draft annual budget and MTREF (medium term revenue expenditure framework) for the Municipality in accordance with the provisions of the Municipal System Act, MFMA and Municipal Budget and reporting regulations before Council today.

This tabling of the IDP and Budget comes at a time when our Municipality is facing several challenges and opportunities. These challenges include poor spending on capital budget which is caused by delays in SCM processes, aged infrastructure which causes sewer and water leaks every now and then, efforts in attending to the state of our roads are there but in a snail phase due to lack of resources, poor response to complaints from the community, which is something that we are addressing. The institution is still faced with a lack of resources to achieve its strategic objectives. Honourable Speaker the provision of water to communities is still on and off. This presentation, Honourable, takes place when we are facing low economic growth and a huge unemployment rate.

DRAFT INTEGRATED DEVELOPMENT PLANNING:

Speaker: It is important to note that one of the most important pillars when reviewing or developing an IDP is public participation through community engagement. We have planned 15 Session to ensure we

cover all wards as much as possible. We have been able to do all 15 except the last one which was for (2 and part of ward 9) there was poor response from community, however, we will priorities this community in next phase (IDP/Budget Roads) which are intended to be done between the month of April and May 2023.

BATHINI ABAHLALI:

Based on the last community engagement that ended on the 28th of March 2023. These are ongoing concerns and challenges; one new developmental issue is a proposed bridge in Vukani. Most issues were general repair and maintenance of infrastructure and non-responsiveness to complaints from the community as mentioned above as well.

ON SERVICE DELIVERY:

KEY FOCUS AREA WATER:

Despite understanding the municipality's needs regarding water outages, Communities are not satisfied with the delays in the JK WTW intervention.

- Distribution **of water** in rural areas and need for more Communal JoJo Tanks
- More service water points for infill areas

SANITATION:

- There is general view that sewer spillages have decrease compared to previous years but there still more of these spillages in some wards.
- The most critical view out there now is the response time when there are sewer spillages.
- There are some areas in the formal area which are not connected to sewer or water reticulation, we need to investigate this before we go back to communities for IDP/Budget Roads Shows we need answers.

ROADS AND STORMWATER:

The state of our roads is poor, and our storm drains are not cleaned. However, I'm happy to report that is being attended to already with the assistance of the Joint venture with NAF.

HUMAN SETTLEMENT

Communities are not happy with the phase in housing development, they want to know status qua on the Housing project, this includes outstanding RDP Houses (i.e., Fingo Village, Mission and other areas), upgrading of informal areas and rectification of houses, the report has been given in our meetings however they still registered their dissatisfaction on the long waiting.

CLEANING AND REFUSE COLLECTION

Our communities are still complaining about illegal dumping, which they relate to no refuse bags issued by the Municipality anymore. If that is the case MM and CFO, we need to urgently look at this before the approval of the final budget.

Speaker on the 13th and 14th March 2023 we had Mayoral Lekgotla session to review the status quo of the service delivery and administration support services strategic objectives. Reports and discussions on what were discussed and recommended will be discuss on the 3rd and 4th of April 2023 in the upcoming Council Retreat.

Speaker community engagement through Mayoral Imbizo and Mayoral lekgotla were facilitated as part of phase two of review and assessment of our IDP Strategic Framework once Council adopts the review of the Draft, there are other process to follow, this include the upcoming Council retreat as mentioned above, IDP/Budget Road Shows and Stakeholders consultation, last the Council approval which will also include some internal stakeholder involvement.

BUDGET FOR 2023-24 FINANCIAL YEAR

In this budget we are continuing our efforts to improve people's lives by embarking on projects that will make a difference. A capital budget of R48,9 million has been allocated to address service delivery issues.

The municipality has an obligation to ensure that financial and other resources are not wasted on repetitive programs and projects such as cleaning of the environment caused by constant illegal dumping. This alone requires huge financial resources that could be put to better use in addressing basic needs such as the provision of water, sanitation, and electricity.

To realize the draft budget, financial and human resources are required to support the implementation of the Financial Recovery Plan. To ensure the financial stability of the municipality needs to improve its data management for the debt book and thereby putting more effort on customer care, credit control and debt collection policy implementation. The successful implementation of this budget depends on the realization of the budgeted revenue through revenue collection.

Financial sustainability over the long-term requires the implementation of infrastructure master plans to ensure that the municipality has maintenance plans to address service delivery challenges and improve the turnaround time to respond to queries. For sustainability of service delivery infrastructure backlogs should be addressed through prudent capital spending that responds to the needs of our communities.

The implementation of cost reflective tariffs is also a key enabler for the desired service delivery to our communities. The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically, and equitably to all communities, through the implementation of cost reflective tariffs.

The budget presented today is therefore based on previously identified needs of our communities. It is indeed said by the Speaker that we keep on engaging our communities on matters that our municipality

is failing to implement. In this budget Speaker we need to take a different tune by creating data for all matters raised in each ward and follow this through an implementation plan.

The operating revenue budget amounts to **R731,972 million**. The bulk of the income is derived from Property Rates and Service Charges related to municipal services.

The capital budget amounts to **R67,4 million** of which **R48,9 million** is funded through Government Grants.

Given the current backlog of repairs & maintenance and ageing infrastructure of the municipality to remedy the lack of adequate service delivery, the council's tariff and property rates increases needs to increase to approximately by **6%** on all services, except for electricity that was increased by **15%** for electricity purchases and 6% for other electricity services.

Municipal responsibility is to improve the quality of life for all citizens that live and work in Makana Local Municipality. We will continue to engage in both progressive and meaningful discussions with our communities to shape a clear path from which governance and development will draw guidance and direction. The Council will continue to pursue and encourage community participation programmes to ensure the municipal plans are in line with community needs.

I would like to thank you Hon Speaker for the role you are continuously playing in ensuring support, the Councillors that participated meaningfully, the Municipal Manager, Directors and our managers that were involved in compiling this Draft IDP and budget.”

The Council **NOTED**:

- a) Councillor Hoyi raised concern that Councillor Clark and Councillor Embling are constantly raising issues concerning other wards. Without even seeking clarity from the ward Councillor and that should come to an end because it created confusion.
- b) The MM reported that the bucket system issue is being discussed in the SMT to develop viable solutions to address the bucket system.
- c) Inputs on the draft IDP 2023-2024 will be forwarded to the IPD Manager.
- d) The Municipal Manager and the Portfolio Chairperson of Community and Social Services should look at the matter of the name change in some areas in Makhanda. Submitted to the Geographic name change committee.
- e) The MM to follow up on the two burnt houses in Hoegenog and forward the matter to Human Settlements.

The Council **RESOLVED**:

- a) THAT the Draft Integrated Development Plan (IDP) for 2023/24 be ADOPTED.
- b) THAT the Draft be made available for public comment.
- c) THAT the Draft IDP be sent to MEC for local Government for assessment.

Moved by Councillor Vayo and seconded by Councillor Cetu.

SC 6.6

JOB EVALUATION POLICY

CONSIDERED:

Report dated 24 March 2023 from the Municipal Manager.

The Council **RESOLVED:**

- a) THAT the Job Evaluation Policy be CONSIDERED.
- c) THAT the policy be presented at the Council retreat for all Councillors to understand the policy.

Moved by Councillor Hoyi and seconded by Councillor Sixaba.

SC 6.7

STATUS UPGRADE REGARDING THE WATER SUPPLY SITUATION SUBSEQUENT TO DISRUPTION OF PRODUCTION AT JAMES KLEYNHANS TREATMENT PLANT

CONSIDERED:

Report dated 29 February 2023 from the Municipal Manager.

The Council **NOTED:**

- a) The status update report on the item should have been written as the executive summary.
- b) The main factor for water supply interruptions was the faulty Eskom power line.
- c) The Director: Infrastructural Services reported that the plant is currently under construction, so Councillors who were there were instructed to enter at the back of the plant. Both the motors and the pump are affected. The motors must be sent to the manufacture to be fixed.
- d) In addition, Community Members or Councillors are prohibited from visiting the Municipal danger or strategic facilities without obtaining permission from them. The SMT should always make sure that all the strategic points in Makhanda are secured.
- e) Councillors were stopped to go on site visits without informing the Speaker. If those Councillors who visited the site did not do any application, contact the relevant Department and inform the Speaker. The Speaker should act according to the Council resolution.
- f) The MPAC should also have their own oversight programmes besides executive oversight.
- g) Councillors should be the first ones to be taken through any water outages and challenges and be provided with the water delivery schedules at least weekly. They should also request information at the office of the Speaker if they do not have information. For them to be able to give responses to the community when they are being questioned about the water issues.

- h) It is imperative that all retired engineers who wish to assist the municipality come forward to the Municipality in order to establish a forum for them. For the Municipality to work hand in hand with them.

The Council **RESOLVED:**

- a) THAT the status update to the Council regarding the water supply situation in Makhanda after the disruption of production that occurred at James Kleynhans Water Treatment Works be NOTED.
- b) THAT an investigation into what really happened at James Kleynhans be conducted as a matter of urgency, as it is alleged that the crisis was not based on negligence. A report be submitted to the office of the Speaker.
- c) In addition, the Speaker's office should receive an insurance liability report to recoup damages caused by natural causes.
- d) THAT the Director: Infrastructural Services inform the Engineer who visited with some Councillors on site without any application to write a report and submit it to the Speaker.
- e) THAT the Water Indaba be organised urgently for all Makhanda areas.
- f) THAT the issue of security at James Kleynhans be attended to as a matter of urgency and the site visit issue be fastracked.
- g) THAT the policy be presented at the Council retreat for all Councillors to understand the policy.
- h) Moved by Councillor Hoyi and seconded by Councillor Nkwentsha.

SC 6.8

CHANGE PAYMENT DATES FOR 13TH CHEQUES: 2023

CONSIDERED:

Report dated 22 March 2023 from the Municipal Manager.

The Council **NOTED** the recommendations from the Mayoral Committee and the LLF meeting on the matter.

The Council **RESOLVED:**

- a) THAT the item contents be CONSIDERED.
- b) THAT the change of payment dates for the 13th Cheques for all staff, to their month of birth retrospectively from January 2023 be APPROVED.

Moved by Councillor Nkwentsha and seconded by Councillor Xonxa.

SC 7

CLOSURE

The Speaker thanked all public members and officials who attended the meeting. Those who sit on items that are classified public to recuse the meeting. There will be a five-minute break and only the SMT and Councillors should come back for the confidential item.

The Speaker declared the first session adjourned.

The meeting terminated at 12h20

SPEAKER

DATE