



**2013/2014**  
**OVERSIGHT REPORT**

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## ANNEXURES

Annexure “A”:	Minutes of Oversight Committee (Municipal Public Accounts Committee) meetings
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## **FOREWORD BY CHAIRPERSON OF MPAC**

The Constitution of the Republic of South Africa, 1996, the Municipal Systems Act, 2000, and the Municipal Finance Management Act, 2003 enjoin municipal Councils to oversee the performance of their municipalities. The Nelson Mandela Bay Municipality is therefore compelled to submit its Annual Report to Council and in line with legal Constitutional obligations the Draft 2013/14 Annual Report was tabled to Council on 22 January 2015 for review.

Council referred the Draft 2013/14 Annual Report to the Municipal Public Accounts Committee (MPAC) for further interrogation so that an Oversight Report can be developed. This Report is of great importance to Council in that it will guide it in remedying the shortcomings identified in the Annual Report. In fulfilling the responsibilities assigned to it by Council, MPAC held meetings on the following dates:

- 3 February 2015
- 17 February 2015
- 24 February 2015
- 12 March 2015
- 16 March 2015
- 25 March 2015

In considering the Draft 2013/14 Annual Report, MPAC also consulted the 2012/13 Oversight Report to establish those areas that had not yet been implemented or attended to, so that these could also be incorporated into the 2013/14 Oversight Report.

The Draft 2013/14 Annual Report was also subjected to public participation, through cluster meetings that took place across Nelson Mandela Bay Metropolitan Area. Copies of the Draft 2013/14 Annual Report were distributed at all municipal libraries and customer care offices, and also published on the municipal website. This was done so that members of the public could have access to the Report and submit their comments after inspecting it.

MPAC will ensure that recommendations developed in the 2013/14 Oversight Report are fully implemented by the municipal administration; this will be monitored through quarterly reports to MPAC.

I would like to commend MPAC members for their dedication and hard work in ensuring that this Report has been finalised in time for the Council meeting on 31 March 2015. I would also like to thank the administration for its role in the development of the Report. Finally, I would like to extend my appreciation to the officials of the Auditor-General's Office, and the Audit Committee, for their guidance and focus in compiling the Report.



**COUNCILLOR V J TUTU**  
**CHAIRPERSON**

## **1. INTRODUCTION**

South Africa's system of local government is premised on the goal of creating a local sphere of government that is both democratic and accountable. This is evident in the outline of the objectives of local government in the Constitution of the Republic of South Africa, wherein Section 152 (1a) states that:

“The objects of local government are to provide democratic and accountable government to local communities”

In their functioning and operations, municipalities are therefore compelled by law to ensure that they fulfill the spirit and the letter of the law as contained in the objective of a democratic and accountable local government. Various mechanisms are employed by municipalities to ensure the promotion of these objectives; and one instrument that is incorporated into the national system of local government to achieve this is the development of annual reports by municipalities. Annual reports are intended to facilitate a process of engagement and review of municipal performance with stakeholders over a specified time period and as such embed the democratic and accountability ethos of municipalities.

Beyond the processes of preparing, consulting and tabling annual reports, municipalities are by law compelled to exercise oversight over such Reports, with the output of such oversight being the preparation of Oversight Reports. The oversight process is one of the mechanisms within the local government system that entrenches accountability within municipalities.

## **2. LEGAL FRAMEWORK**

Section 129 (1) of the Municipal Finance Management Act (2003) instructs that Councils of municipalities must consider the annual reports developed by their municipalities and by any municipal entities under such municipalities' sole or shared control, and by no later than two months from the date on which the relevant annual report was tabled in Council in terms of Section 127, adopt an oversight report containing the Council's comments on the annual report, which must include a statement whether the Council –

- (a) has approved the annual report with or without reservations;
- (b) has rejected the annual report; or
- (c) has referred the annual report back for revision of those components that can be revised.

MFMA Circular No. 32 of the National Treasury states that the oversight report is the final major step in the annual reporting process of a municipality.

The National Treasury's MFMA Circular No. 32 further provides for certain provisions with regard to the compilation of the Oversight report. These provisions cover the following areas:

- Managing the process and forming committees;
- Timing considerations;
- Understanding the annual report and determining conclusions.

The sections below will provide input on how the Nelson Mandela Bay Municipality approached each of the above elements as part of the oversight process.

### **3. MANAGING PROCESS AND FORMING COMMITTEES**

#### 3.1 Forming of Committees to perform oversight of Annual Report

MFMA Circular 32 from National Treasury recommends that councils consider the establishment of an oversight committee in terms of Sections 33 and 79 of the Municipal Structures Act 1998. This committee and, if needed, sub-committees, could be responsible for the detailed analysis and review of the Annual Report and then drafting an oversight report that may be taken to full Council for discussion.

Due to the separation of roles and responsibilities between Council and the Executive Committee, members of the Executive Committee cannot be members of the Oversight Committee.

The Council of the Nelson Mandela Bay Municipality resolved that the Municipal Public Accounts Committee (MPAC) was the appropriate committee through which Council could fulfill its oversight responsibilities in respect of its annual report. As such, MPAC performs the functions of the Oversight Committee, as contained in the MFMA Circular 32.

MPAC membership is constituted as follows:

African National Congress – 7 members

Democratic Alliance – 5 members

Congress of the People – 1 member

**The members of MPAC are as follows:**

Councillor V J Tutu (Chairperson)

Councillor B N Biddulph

Councillor X C Bisset

Councillor N R Captain

Councillor A P Dashwood

Councillor T Gana

Councillor M E G Harning

Councillor B N Mafaya

Councillor J N Mapu

Councillor H Müller

Councillor T S Noqoli

Councillor K G Ntshanyana

Councillor R Odendaal



## **4 TIME CONSIDERATIONS**

### **4.1 Meeting Schedule**

The MFMA instructs that the council of a municipality must complete the oversight process and adopt an oversight report containing the council's comments on the annual report by no later than two months from the date on which the annual report was tabled in council.

MPAC's schedule of meetings to consider the Annual Report was guided by the abovestated time provision of the MFMA.

Council received the Annual Report on 22 January 2015, and subsequently referred the report to MPAC for oversight. In compliance with the two months' timeframe prescribed by the Act, MPAC meetings were arranged as follows:

<b>DATE</b>	<b>TIME</b>	<b>VENUE</b>
3 February 2015	09:00	Council Chambers, City Hall
17 February 2015	09:00	Council Chambers, City Hall
24 February 2015	09:00	Council Chambers, City Hall
5 March 2015	09:00	Council Chambers, City Hall
12 March 2015	09:00	Council Chambers, City Hall

The meeting of 5 March 2015 was called off as a result of disruptive actions by SMMES in the vicinity of the venue in which the MPAC meeting was scheduled to be held. As such, additional meetings were scheduled and held on 16 March 2015 and 25 March 2015.

## **5. PUBLIC PARTICIPATION IN OVERSIGHT PROCESS**

Section 130 of the MFMA instructs that the meetings of a municipal council or committee established by Council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organs of state. This is in promotion of public participation in municipal processes.

As part of promoting public participation in the oversight process, municipalities are obliged to undertake the following additional actions:

- Invite written submissions from the local community or organs of state on the annual report
- Make public all meetings at which the Annual Report will be discussed
- Representatives of the Auditor-General are entitled to attend and to speak at any meeting that deals with the Annual Report.
- Engage in a process of public participation on the annual report.

In this regard, the Municipality undertook the following initiatives to promote public participation in the oversight process:

<b>MECHANISM TO PROMOTE PUBLIC PARTICIPATION</b>	<b>STATUS</b>	<b>COMMENTS</b>
Invitation to public to submit comments on the Annual Report	<b>Done</b>	Public was invited to submit comments on the Annual Report to the Municipality through the office of the Chief Operating Office. A relevant advert was published in the local media on 29 January 2015
Public Participation in the Annual Report	<b>Done</b>	Process of public participation was conducted between 03 - 11 March 2015, in terms of which the Annual Report was presented to local communities and their inputs received
Make public all meetings of council oversight committee that will consider the Annual Report	<b>Done</b>	All MPAC meetings convened to consider the Annual Report were advertised in the local media on 29 January 2015
Representatives of the Auditor-General invited to meetings of council that will consider Annual Report	<b>Done</b>	Auditor-General representatives invited and present in MPAC meetings convened to consider Annual Report
Annual Report printed and distributed to municipal offices for access by local communities.	<b>Done</b>	Copies of these reports lie open for inspection at all municipal libraries and customer care centres and was also published on the municipal website ( <a href="http://www.nelsonmandelabay.gov.za">www.nelsonmandelabay.gov.za</a> )

## **6. OVERSIGHT COMMITTEE RECOMMENDATIONS**

At the MPAC meeting held on 3 February 2015, it was agreed that it would exercise its oversight functions over five meetings, inclusive of the aforementioned meeting. MPAC agreed to structure its consideration of the Annual Report, and as such its meetings, around the following areas of the Annual Report:

- Area One (1): Auditor-General's report
- Area Two (2): Annual Financial Statements
- Area Three (3): Performance Report
- Area Four (4): Annual Report
- Area Five (5): Conclusions of MPAC and Recommendations

The following section, which deals with the recommendations of the Oversight Committee (MPAC), will be structured around these five areas.

AREA 1	MATTER UNDER CONSIDERATION	RECOMMENDATIONS
Auditor General's Report	Matter of emphasis: Material losses : Water losses (Annual Report p. 391, point 13)	<p>(a) That a special Intergovernmental Relations Committee be established to negotiate with the Eastern Cape Education Department in order to arrive at a joint commitment to provide an amount of R10 million, to be matched with an equal amount by the NMBM, to work towards eliminating water leaks and the attendant huge water losses on school premises.</p> <p>(b) That all funded critical vacancies in the Infrastructure and Engineering Directorate in respect of plumbers and other artisans be filled within the first three months of the 2015/16 financial year.</p> <p>(c) That MPAC support the implementation of the newly created programme by the Infrastructure and Engineering Directorate to combat water losses, namely the Action Plan for "Water Leak Detection, Repairs and Conservation", included as Annexure "A" to the MPAC Agenda dated 17 February 2015 forthwith. (See also page 12 of this Report).</p>
	Matter of emphasis : Material Impairments - Collection of outstanding debt – Appointment of panel of attorneys (Annual Report p. 391, point 15)	(a) That the Credit Control Policy of the NMBM be reviewed with a view to incorporating best practices from the successful Credit Control Policy of the eThekweni Metropolitan Municipality.
	REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (Annual Report p. 392): 17.1 Audit Committees (Annual Report p. 393 and points 30 and 31)	That the NMBM Audit Committee submit quarterly reports containing recommendations on the effective functioning of the institution directly to Council.

AREA 2	MATTER UNDER CONSIDERATION	RECOMMENDATIONS
Annual Financial Statements	<p>2013/14 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY(10/1/1/1) (Item 1, Agenda p. 4) 23.1 Heritage Assets and Investment Property : Heritage Sites (Annual Report p. 582) and Land Assets (Annual Report p. 584)</p>	<p>That the Municipality promulgate the Problem Buildings By-law before the end of 2015 in order to enable effective action to be taken against property owners throughout the Nelson Mandela Bay area who fail to maintain their properties adequately, irrespective of whether such properties are registered heritage buildings or ordinary buildings.</p> <p>FURTHER RESOLVED:</p> <p>(a) That progress reports in respect of both the Land Asset Register and the Heritage Asset Register be submitted to the next ordinary meeting of MPAC by the Executive Director: Human Settlements and the Executive Director: Sport, Recreation, Arts and Cultural Services, in consultation with the Chief Operating Officer; such reports also to state the current condition of the assets mentioned.</p> <p>(b) That the City Manager: NMBM apply to the Eastern Cape Provincial Government for funding assistance in order to complete its Heritage Asset Register.</p> <p>(c) That the Heritage By-Law be Promulgated before 30 June 2015.</p>
	<p>Page 637, Note 61: Provision for litigation and claims: Claim for injuries to minor child resulting from alleged collapse of municipal playground jungle-gym:</p>	<p>That the Acting Executive Director: Public Health (Parks) take action to ensure that all municipal playground equipment are safe and up to standard in order to protect children against injuries caused by using damaged or malfunctioning equipment.</p>
	<p>STRATEGY TO CURB NON-REVENUE WATER LOSSES (18/1/1/3/1/R) (Item 3, Agenda p. 5)</p>	<p>That MPAC support the implementation of the newly created programme by the Infrastructure and Engineering Directorate to combat water losses, namely the Action Plan for "Water Leak Detection, Repairs and Conservation", included as Annexure "A" to the MPAC Agenda dated 17 February 2015 forthwith.</p>

AREA 2	MATTER UNDER CONSIDERATION	RECOMMENDATIONS
Annual Financial Statements	REVIEW OF THE CREDIT CONTROL POLICY (5/15/P) (Item 5, Agenda p. 5)	The Committee noted the process being followed for the review of the Municipality's Credit Control Policy and RECOMMENDED that the Policy be strengthened.
	REPORT BACK : TRAFFIC FINES : SAFETY AND SECURITY (Item 3, Agenda p. 5)	<p>(a) That the information required by MPAC regarding the names of Councillors and the outstanding traffic fines owed by them, be submitted to the Committee as soon as this can be accessed.</p> <p>(b) That the failure of the Traffic and Licensing Services Sub-directorate to fulfil its function in respect of revenue collection be recorded as one of MPAC's concerns.</p> <p>(c) That the City Manager hereby be requested to intervene in order to improve the overall strategy of the Traffic and Licensing Services Sub-directorate.</p> <p>(d) That the City Manager request the Supply Chain Management Unit, in consultation with Council's Municipal Information Systems (MIS) Sub-directorate, to ensure that computer systems procured for the transfer of information are compatible with existing systems in use in the institution.</p>

AREA 3	MATTER UNDER CONSIDERATION	RECOMMENDATIONS
Performance Report	-	No recommendations were made under this section.

<b>AREA 4</b>	<b>MATTER UNDER CONSIDERATION</b>	<b>RECOMMENDATIONS</b>
Annual Report	Total Outstanding Service Debtors – Need for Panel of Attorneys (Annual Report p. 47)	That in order to improve the financial sustainability of the Municipality, the institution ensure that the contract for the appointment of a panel of attorneys to assist in dealing with outstanding service debt collection is awarded as soon as possible, and before the end of the 2014/15 financial year.
	Organisational Structure of NMBM (Annual Report p. 59)	That the new Organisational Structure of the NMBM, as set out in the new Organogram, be finalised by Council by not later than 30 June 2015.
	43.3 Intergovernmental Relations (Annual Report p. 60)	That the relevant political leadership be requested to intervene in order to gain a commitment from both the Provincial and National Government to assist in making the Intergovernmental Relations Framework structures more effective in facilitating intergovernmental issues.
	43.4 Public Meetings (Annual Report, p. 65)	<p>That, in addition to the proposals contained in Min. No. 34.21/2015, the following actions be included in the review of the Public Participation Policy:</p> <p>(i) That Ward Councillors hold regular public meetings in their wards.</p> <p>(ii) That public meetings be used to bridge the gap in communication between the Municipality and members of local small, medium and micro enterprises (SMMEs) by inviting SMMEs as a sector to public meetings, where relevant Portfolio Chairpersons and Executive Directors can discuss issues with them and provide them with relevant information.</p>



AREA 4	MATTER UNDER CONSIDERATION	RECOMMENDATIONS
Annual Report		<p>(iii) That in order to create a forum where the Municipality listens to the public in the first place, the institution consider establishing a Committee along the lines of the Petition Committee referred to in the preamble above, for the sole purpose of attending to input made by the people.</p> <p>(b) That the Office of the Constituency Co-ordinator review the existing Public Participation Strategy with a view to improving its efficiency and taking into account the comments made by MPAC during the Oversight process, and submit it to the relevant Standing Committee.</p>
	43.5 Ward Committees (Annual Report, p. 66)	<p>That the functioning of Ward Committees be strengthened by the following actions:</p> <p>(i) filling existing vacancies;  (ii) developing clearly defined objectives and programmes;  (iii) having regular meetings; and  (iv) being resourced with proper basic office equipment</p>
	43.6 Anti-Fraud and Anti-Corruption Strategy (Annual Report, p. 69)	<p>That Council's Anti-Fraud and Anti-Corruption Strategy be supported by organising an on-going campaign driven by both Councillors and senior management to fight fraudulent and corrupt activities in the institution.</p>
	43.7 By-Laws (Annual Report, p. 72)	<p>That in view of the lack of enforcement of By-Laws in the institution, and in the absence of a municipal police force, a mechanism be developed for proper by-law enforcement.</p>
	43.8 Pollution Control (Annual Report, p. 180)	<p>That Council commit itself to provide all communities still using the bucket toilet system with a weekly collection service for the emptying of the buckets.</p>

AREA 4	MATTER UNDER CONSIDERATION	RECOMMENDATIONS
Annual Report	43.9 Government Grants and Subsidies (Annual Report, p.241)	That all monies outstanding by the Eastern Cape Provincial Government to Council be identified by the Chief Financial Officer and reported to the next ordinary MPAC meeting in order for the Committee to address this issue and decide upon an approach going forward.
	43.10. Water Provision (Annual Report, p. 241)	<p>(a) That Council identify the completion of the Nooitgedacht Low-level Scheme as a vital priority to ensure a sustainable water supply to the NMBM area.</p> <p>(b) That in sourcing funding for the construction of the Nooitgedacht Low-level Scheme, Council investigate the establishment of Public Private Partnerships.</p> <p>(c) That water tariffs be made cost-reflective, which will go hand in hand with the reduction in non-revenue water losses.</p> <p>(d) That additional funding be sourced to prioritise and expedite the eradication of the bucket toilet system.</p>
	43.11 Maintenance of Electricity Infrastructure	That Council make sufficient budgetary provision on its 2015/16 Budgets to refurbish critical electricity infrastructure to address the big maintenance backlog in that regard.
	43.12 IPTS	<p>(a) That a turnaround strategy be developed by the Executive Management Committee for submission to the Infrastructure and Engineering Portfolio Committee in the first instance, in respect of the management of the Integrated Public Transport System.</p> <p>(b) That the establishment of the Transportation Agency which shall deal with IPTS project, be fast-tracked so as to enable the said project to be implemented with immediate effect.</p>

AREA 4	MATTER UNDER CONSIDERATION	RECOMMENDATIONS
Annual Report	43.13 Arts, Culture and Heritage	That the Executive Director: Sports, Recreation, Arts and Culture take cognizance of MPAC's proposal that heritage features in the NMBM area be used as the focus for tourism-related events organised by the Municipality, thus linking heritage matters with local economic development.
	43.14 Law Enforcement Services	That the Executive Directors of Corporate Services and Safety and Security find ways and means of returning the Law Enforcement Officers (LEOs) to their workplaces, to enable the contract with the private companies currently being hired for that purpose to be terminated.

**AREA 5:**

**2012/13 Oversight Report recommendations for inclusion in the 2013/14 Oversight Report**

In addition to the recommendations cited in the preceding sections, MPAC resolved to review its oversight report of the previous financial year (2012/2013) in order to assess whether the recommendations it had made were implemented or not. In instances where recommendations made in the 2012/2013 Oversight Report were not implemented but are still relevant, MPAC resolved that these recommendations be included in the 2013/2014 Oversight Report for the purpose of continuity.

Below are additional recommendations identified by MPAC as not implemented in the 2013/2014 financial year but still relevant for inclusion in the 2013/2014 Oversight Report.

	<b>RECOMMENDATIONS</b>
Page 18, para. 3.4.1 – Importance of quarterly reports submitted to MPAC	The Municipal Public Accounts Committee recommends that the City Manager submit quarterly reports on the progress made with the implementation of the Oversight Report recommendations to the Municipal Public Accounts Committee, as the Committee regards such reports as an essential tool in working towards an unqualified audit opinion.
44.2 Page 18 & 19, para. 3.4.2 (b) and (c) – Irregular, fruitless and wasteful expenditure	That the following two recommendations be repeated as is in 2013/14 Oversight Report:  (a) The Municipal Public Accounts Committee recommends that, due to the fact that there are currently very few or no consequences for officials who incur irregular, fruitless and wasteful expenditure, and as a measure to curb same, Council adopt the stance that some form of action be taken against officials involved in such action, unless it can be proved that such expenditure was incurred because of circumstances beyond the control of the person(s) involved.  (b) The Municipal Public Accounts Committee recommends that the City Manager and the Director: Internal Audit and Risk Assurance submit quarterly reports on the progress made with investigations of alleged fraud and corruption cases within the institution for possible intervention by the Committee, if necessary.

	<b>RECOMMENDATIONS</b>
44.3 Page 19, para. 3.4.3 – Deviations	That the City Manager draw up an Action Plan of measures that can be put in place to reduce the unacceptable number of deviations, which the Committee deems to stem from a lack of proper planning, bearing in mind, however, that deviations must be sanctioned under critical circumstances.
44.4 Page 19, para. 3.4.4.3 (a) to (g) – Vacancies	<p>(a) That the City Manager ensure that the remaining vacant Executive Directors' positions, namely the positions of Executive Director: Public Health and Executive Director: Special Programmes, be filled by not later than 30 June 2015.</p> <p>(b) That, in addition to the appointments made since the 2012/13 financial year, the City Manager ensure the filling of the remaining critical funded vacancies in the Supply Chain Management Sub-directorate by not later than 30 June 2015.</p> <p>(c) That, in addition to the appointments made since the 2012/13 financial year, the City Manager ensure that urgent attention be given to the speedy filling of funded vacancies in the revenue-generating directorates of the Municipality, such as <i>Safety and Security</i> and <i>Budget and Treasury</i>.</p> <p>(d) That all vacancies in the Internal Audit and Risk Assurance Sub-directorate be filled as soon as possible with suitably qualified people, to reinforce the Sub-directorate and enable it to function optimally.</p> <p>(e) That all vacancies in the <i>Risk Management</i> Sub-directorate be filled as soon as possible with suitably qualified people, to reinforce the Sub-directorate and enable it to function optimally.</p> <p>(f) That the seriousness of this matter be highlighted and that the vacancy in the position of Director: Legal Services be filled by the appointment, by not later than 30 June 2015, of a legal practitioner with several years' experience of working in the legal fraternity.</p> <p>(g) That critical artisan funded vacancies (plumbers) in the Infrastructure and Engineering Directorate be filled, employing previously trained plumbers to address persistent water losses experienced in Nelson Mandela Bay, while also acknowledging the decisive steps taken in this regard by the Executive Director : Infrastructure and Engineering.</p> <p>(Note: An objection was made at the meeting on 16 March 2015 to the lack of definite time-frames in recommendations (c), (d), (e) and (f) above in respect of the filling of vacancies, but no time-frames in that regard were subsequently set.)</p>

	<b>RECOMMENDATIONS</b>
44.6 Page 22, para. 3.4.5.1(b) – Waste Management – Funding for weekly collections	That the identification of more funding on the 2014/15 Budgets be prioritised to ensure the completion of the roll-out of weekly refuse collection services throughout Nelson Mandela Bay.
44.7 Page 22, para. 3.4.5.3 – Integrated Public Transport System (IPTS)	That the City Manager and the Executive Director: Infrastructure and Engineering submit quarterly reports on the progress made with the utilisation of the IPTS Conditional Grant Funding to the Municipal Public Accounts Committee.
44.8 Page 23, para. 3.4.5.4 – Backlog in repairs and maintenance	That the City Manager and the relevant Executive Directors develop alternative strategies or funding mechanisms, by identifying external funding sources and seeking support from National Government, to ensure an adequate level of repairs and maintenance of municipal infrastructure.
44.9 Page 23, para. 3.4.5.5 - Water losses	<p>(a) The Municipal Public Accounts Committee recommends that, in order to address the high level of water losses experienced in Nelson Mandela Bay, all Councillors become more active in reporting water leaks and follow up reported cases until the problem is fixed.</p> <p>(b) The Municipal Public Accounts Committee recommends that a communication/media campaign be launched to educate residents where and how they can report water leaks in their community.</p>
44.10 Page 23, para. 3.4.5.6 - Joint Operations Centre (JOC)	<p>(a) The Municipal Public Accounts Committee recommends that the Joint Operations Centre be reinforced and be populated with officials from all directorates to ensure that service delivery complaints reported to the Centre will be addressed more effectively and efficiently.</p> <p>(b) The Municipal Public Accounts Committee recommends that an intensive media campaign be undertaken to make the public aware of the 0800 20 50 50 number (Call Centre) for reporting all service delivery related complaints and enquiries.</p> <p>(c) The Municipal Public Accounts Committee recommends that the 0800 20 50 50 number be monitored to ensure that calls from township areas are handled on an equal footing with calls from other residential areas.</p> <p>(d) The Municipal Public Accounts Committee recommends that a quarterly JOC Performance Report be tabled at MPAC.</p> <p>(e) The Municipal Public Accounts Committee recommends that effective communication be established between the 0800 20 50 50 Call Centre and the relevant depots so that callers are promptly advised when repairs have been effected.</p>

	<b>RECOMMENDATIONS</b>
44.11 Page 24, para. 3.4.5.8 – Electricity	The Municipal Public Accounts Committee recommends that, in the development of the 2015/16 Budget, the Executive Director: Electricity and Energy, in consultation with the Chief Financial Officer, adopt as a firm commitment the need to address the lack of adequate lighting throughout Nelson Mandela Bay, especially in the townships and informal settlement areas, also in view of the role of lighting in discouraging criminal activities.
44.12 Page 24, para. 3.4.5.9 – Safety and Security	The Municipal Public Accounts Committee recommends that as no results have been forthcoming from the following recommendation that was included in the 2012/13 Oversight Report, the City Manager and the Executive Director: Safety and Security ensure that an all-encompassing strategic plan to address the following issues in the Safety and Security Directorate be developed and submitted to Council by 30 June 2014:  (i) “Traffic Department – covering all operational aspects, including, but not limited to the services rendered at traffic and licensing centres, with the emphasis on improvement in productivity, efficiency and service levels, staffing, the current lack of a 24-hour traffic service, union interference, acceptable income and revenue collection from fines.”
44.13 Page 25, para. 3.4.6 – Local Economic Development	(a) The Municipal Public Accounts Committee recommends that in view of the vital need for assisting the local small business sector, the City Manager and the Executive Director: Economic Development, Tourism and Agriculture submit a progress report incorporating an implementation plan to the Municipal Public Accounts Committee and Council by 30 June 2015 regarding further progress made towards the establishment of a one-stop shop to support small businesses.  (b) The Municipal Public Accounts Committee recommends that a strategic Local Economic Development workshop be held to identify clear objectives and guidelines.
44.14 Page 25, para. 3.4.7 – Assistance to the Poor (ATTP)	That the City Manager and the Chief Financial Officer ensure that the processing of applications received in terms of the Assistance to the Poor Scheme be fast-tracked and that regular progress reports in this regard be submitted to the Municipal Public Accounts Committee.
44.15 Page 27, para. 3.4.10.1 – Internal Audit Charter	That the City Manager ensures that all staff and directorates respect and adhere to the Internal Audit Charter, which allows the Internal Audit and Risk Assurance Sub-directorate unrestricted access to all documents, personnel, property and information pertaining to an official audit or investigation and that any instances of resistance in that regard experienced by the Sub-directorate be reported to MPAC.

## **RECOMMENDATIONS MADE BY CHAIRPERSON**

- (a) That in order to improve the processing of applications for the Assistance to the Poor (ATTP) Scheme, the Chief Financial Officer submit a report to the next ordinary MPAC meeting on the rate of verification and authorisation of each ATTP application, also reporting on the number of applications verified per week by each employee.
- (b) That in wards where loudhailing is required to notify residents of meetings, such loudhailing be carried out by persons residing in the particular ward and who are familiar with the lay-out of the ward.
- (c) That it be incumbent upon Councillors serving on the Executive Mayor's Committee, as well as all relevant officials, to attend public participation meetings.
- (d) That in documents presented by Councillors and officials at public participation meetings on the Annual Report, comparisons be given between achievement of targets for the year under review and the year before that, to show whether there had been progress.
- (e) That the City Manager and the Executive Director: Corporate Services fast-track the transfer of officials engaged in the administration of Ward Committee's to the Speaker's Office, and that the Ward Committees Indaba and the People's Assembly be re-instated.
- (f) That the numbers of persons employed in terms of the Expanded Public Works Programme be evenly spread throughout the wards.



- (g) That an Action Plan with time-frames to address the findings in the Auditor-General's Report be drawn up by the Director: Internal Audit and Risk Assurance.
- (h) That a monitoring mechanism be introduced in the Legal Services Sub-directorate to eliminate the lengthy delays in processing some of the work assigned to that Sub-directorate.
- (i) That the Director : Internal Audit and Risk Assurance identify risk factors in the institution and submit same to the City Manager and the Audit Committee, with proposed solutions for dealing with such risks.
- (j) That an empowerment workshop be arranged for MPAC, to be addressed by National Treasury representatives, inter alia, to clear up the current uncertainty and conflicting views in respect of the prescription of claims for the recovery of funds.
- (k) That it be noted with concern that, despite the fact that Council has twice resolved that the Municipal Public Accounts Committee become a stand alone Committee, and that an appeal was made in the Chairperson's Foreword in the 2012/13 Oversight Report in this regard, no effect has been given to these resolutions, and it is again recommended that this matter be implemented as a matter of urgency, in the interest of strengthening the oversight process and good governance in the institution.
- (l) That the City Manager in consultation with the Executive Director: Corporate Services, identify ways and means of transferring the current temporary employees engaged in the Public Participation function, to the Office of the Speaker, under whose office this function resorts.

## **7. OVERSIGHT COMMITTEE RESOLUTIONS**

The Municipal Public Accounts Committee, having fully considered the NMBM's 2013/14 Annual Report, resolves to recommend to Council:

- (a) That the Council having fully considered the Annual Report of the NMBM for the 2013/14 financial year, adopts the Oversight Report for the 2013/14 financial year as presented by the Municipal Public Accounts Committee.
- (b) That the recommendations of the Municipal Public Accounts Committee as reflected in Section 6 above, be adopted and that reports on the implementation progress be submitted to the Committee.
- (c) That the Oversight Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act 56 of 2003.
- (d) That the Oversight Report be submitted to the Provincial Legislature in accordance with Section 132(2) of the Municipal Finance Management Act 56 of 2003.
- (e) That the Council, having fully considered the MBDA's Annual Report included in the NMBM's 2013/14 Annual Report, approves the MBDA Annual Report.

## ANNEXURES

### ANNEXURE "A" – MINUTES OF PROCEEDINGS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (Meeting held on 24 February 2015)

**PRESENT:** Councillor V J Tutu (Chairperson)

Councillor B N Biddulph  
Councillor N R Captain  
Councillor A P Dashwood  
Councillor M E G Harning  
Councillor B N Mafaya  
Councillor J N Mapu  
Councillor T S Noqoli  
Councillor K G Ntshanyana

**ALSO PRESENT:** Councillor M Bobani (09:10)  
Councillor M J de Andrade  
Councillor M Jarvis  
Councillor M Steyn

**ABSENT** Councillor X C Bisset

**WITHOUT LEAVE:** Councillor T Gana

City Manager  
Chief Financial Officer  
Executive Director : Corporate Services  
Executive Director : Electricity and Energy  
Executive Director : Economic Development and Tourism  
Executive Director : Safety and Security  
Executive Director : Sport, Recreation Arts and Cultural Services  
Acting Executive Director: Motherwell Urban Renewal Programme  
(MURP) (Mr N Dunjana)  
Acting Executive Director : Public Health (Mr T Mokonenyane)  
Director : Internal Audit and Risk Assurance (Ms B Chan)  
Deputy Director : MPAC (Mr S Matyolo)  
Project Manager : IPTS (Adv. M Tshamase)  
Acting Senior Director : Infrastructure and Engineering  
(Mr T Arthur)  
Acting Director : Legal Services (Ms N Mpongwana)

Assistant Director : Monitoring and Evaluation (Mr M Sipuka)  
Assistant Director : Committee Services (Ms J Sigonyela)  
Acting Assistant Director : Legal Services (Mr J M Ganyaza)  
Acting Assistant Director : Traffic and Licensing Services  
(Mr G du Toit)  
Performance Management Practitioner : Office of the COO  
(Mr W Obeng)  
Financial Officer (Human Settlements) (Ms R Smit)  
Audit Committee Chairperson (Mr G Billson)  
Audit Committee Member (Mr J A Neves)  
Senior Manager : Auditor-General's Office (Ms T de Wet)  
Manager : Auditor-General's Office (Ms F Dazana-Mbeki)  
Chief Committee Officer (Ms A Craighead)  
Committee Officer (Ms S Joubert)  
Committee Officer (Ms V Heera)

### **APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES**

Applications for leave of absence because of illness were received from Councillor H Müller and Councillor R Odendaal.

Apologies were submitted for the absence of the Executive Director : Human Settlements, who had to attend to a very sensitive matter in Ward 16, and of the Executive Director : Infrastructure and Engineering, who was involved in the visit by the Deputy Minister of Water and Sanitation, Ms Pam Tshwete, for the Bucket Toilet Eradication Launch in Khayamnandi, Despatch.

### **NOTED AND RESOLVED:**

That leave of absence from this meeting of the Committee be granted to Councillor H Müller and Councillor R Odendaal.

### **DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)**

There were no disclosures.

### **DISCLOSURE OF INTERESTS BY OFFICIALS**

There were no disclosures.

## **OPENING STATEMENTS**

The Chairperson referred to the recent “Back to Basics” workshop that was held, where the Deputy Director-General of the Department of Cooperative Governance and Traditional Affairs (Cogta) set out actions to be taken to improve service delivery by Municipalities, focusing, inter alia, on the following areas, on which Executive Directors would be required to submit monthly reports to the City Manager:

**Sound financial management and accounting:** A report to be submitted on how many tenders were approved during the month; and the length of time taken from advertising tenders to awarding of same.

**Good governance:** Reporting on what action was taken during the month against corruption, and against unauthorised, irregular and fruitless or wasteful expenditure.

**Building capable municipalities:** Stating how many sick-leave days were taken by each employee during the month.

**“Putting people first”:** Reporting on what interaction took place during the month between Ward Councillors and their communities, and how many public meetings were held to provide feedback on municipal matters to residents.

The Chairperson stated that in some Directorates, management had failed to correct deficiencies previously identified by the Auditor-General, and that had to be addressed in order to work towards achieving an unqualified audit, and eventually a clean audit.

## **NOTED**

### **REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES**

(The Committee was granted thirty minutes in which to peruse the agenda, which had not been received by several Councillors before the meeting. The meeting resumed at 10:00.)

### **29. 2013/14 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 1, Agenda p. 4)**

## **NOTED**

**30. DECLARATIONS OF INTEREST SUBMITTED BY OFFICIALS (4/5/9) (Item 2, Agenda p. 4)**

**NOTED AND RESOLVED:**

That the completed and signed declarations of business interests of all the NMBM Directors and their close family members be submitted to the next ordinary MPAC meeting.

**31. REPORT BACK : TRAFFIC FINES : SAFETY AND SECURITY (Item 3, Agenda p. 5)**

The Committee expressed dissatisfaction at the report received, and emphasised that the report requested on the names of Councillors who had outstanding traffic fines had to be submitted. Moreover, Councillors required to be notified of their outstanding fines, in order to make payments or arrangements.

The Acting Assistant Director : Traffic and Licensing Services, Mr G du Toit, elaborated on the report in the agenda and told the meeting that on 6 February 2015, the traffic fines server in the Mfanasekhaya Gqobose Building crashed because of load-shedding, damaging the operating system of the server in the process. The server was sent to Cape Town, where specialists had been trying for three weeks, to date without success, to restore it, and had now called in an expert from Johannesburg to assist with the work.

In reply to a question, Mr Du Toit said that data that had been saved on a back-up system could only be accessed once the operating system was restored. A new server had been in use for the past week, but it contained only new data, and not the data on Councillors' outstanding traffic fines, as required by the Committee.

The Chairperson stated that the Traffic and Licensing Sub-directorate was not fulfilling its role in contributing to the Municipality's revenue collection. He also mentioned that he had been told that the computer system used in that Sub-directorate was not compatible with the system used in the Budget and Treasury Directorate.

Councillor Harning stated that the problem of the incompatible systems had been long-standing, and she made an appeal for the Supply Chain Management Unit to ensure that systems procured for the transfer of information were compatible. She proposed that in future, it be stipulated in contracts that when a contract came to an end, contractors shall not withhold information or equipment needed for the proper working of new systems.

The Chairperson proposed that the City Manager interact with the Traffic and Licensing Sub-directorate to improve its functioning, and Councillor Mapu suggested that the overall operational strategy of the Sub-directorate be reviewed.

**NOTED AND RESOLVED:**

- (a) That the information required by MPAC regarding the names of Councillors and the outstanding traffic fines owed by them, be submitted to the Committee as soon as it can be accessed.
- (b) That the failure of the Traffic and Licensing Services Sub-directorate in fulfilling its function in respect of revenue collection be recorded as one of MPAC's concerns.
- (c) That the City Manager hereby be requested to intervene in order to improve the overall strategy of the Traffic and Licensing Services Sub-directorate.
- (c) That the City Manager request the Supply Chain Management Unit, in consultation with Council's Municipal Information Systems (MIS) Sub-directorate, to ensure that computer systems procured for the transfer of information are compatible with existing systems in use in the institution.

**32. REPORT BACK : BUDGET AND TREASURY DIRECTORATE (Item 4, Agenda p. 5)**

**32.1 Cellphone Costs Recovery from Councillors (Item 4.1, Agenda p. 5)**

Councillor Captain requested that a report be submitted with information on the following questions regarding the provision of cellphones to Councillors:

- (i) It was unusual that cellphones were supplied to the Executive Directors **before** being supplied to the Councillors. Who made that decision, and what was the reason for it?

- (ii) How does the system for the allocation of cellphones to Councillors work? It was understood that cellphones would be replaced every two years, but the cellphones issued in 2011 were not replaced in 2013, but only much later. Why was that, and what would happen in future?
- (iii) It was requested that a breakdown be provided of the costs of the cellphone packages supplied to Councillors.

The City Manager replied that the cellphones that were supplied to the members of the Executive Mayor's Committee and the Executive Directors were part of "a benefit that Council received, limited to a certain number of phones" and the decision on who was to receive the phones was taken jointly by the Executive Mayor and himself (the City Manager).

Councillor Steyn pointed out that many Councillors had private cellphone packages which they paid for themselves, and enquired what was to become of the balance of the 120 cellphones that had not been taken by those Councillors who preferred to have private phones. The City Manager stated that he had been instructed to buy 120 cellphones, and he would have to find out from the political leadership how to deal with the remaining phones.

**NOTED AND RESOLVED:**

- (a) That the Executive Director : Corporate Services (Corporate Administration and Support Services) submit a report to the next ordinary MPAC meeting in response to the following questions regarding the provision of cellphones to Councillors:
  - (i) How does the system for the allocation of cellphones to Councillors work? For example, cellphones were to be replaced every two years, but cellphones issued in 2011 were not replaced in 2013 due to the unresolved court case at that time. What would happen in future?
  - (ii) What is the exact breakdown of the costs involved in the cellphone packages supplied to Councillors?
- (b) That the City Manager consult with the political leadership on how to deal with the cellphones declined by Councillors who have private cellphone packages, and report thereon to the next ordinary MPAC meeting.

**32.2 Deductions of Outstanding Monies from Councillors (Item 4.2, Agenda p. 5)**

**NOTED**



### **32.3 Nelson Mandela Memorial Service – Annual Report p. 626, Note 9 (Item 4.3, Agenda p. 6)**

The Committee requested that a comprehensive report be submitted to the next ordinary MPAC meeting, with detailed information on the over-expenditure of R6,29 million (as against the approved budget of R6 million) on the memorial service for former President Nelson Mandela, identifying the officials who were involved in the over-expenditure and the items purchased with the monies that exceeded the budgeted amount. Items regarded as irregular expenditure in terms of the National Treasury Instructions should also be listed.

The City Manager informed the meeting that the Public Protector was investigating expenditure in respect of the memorial services, but the Committee agreed that it did not require an investigative report, but a report setting out all the facts concerning the over-expenditure for it to consider in the interest of transparency and accountability.

Councillor Harning stated that it had to be taken into account that different cultures attached different values to burial rituals and memorial services, and moreover, that this specific case was about a memorial service for a figure who had been a revered leader and a world icon.

#### **RESOLVED:**

That the Chief Financial Officer submit a comprehensive report to the next ordinary MPAC meeting, with detailed information on the over-expenditure of R6,29 million (as against the approved budget of R6 million) on the memorial service for former President Nelson Mandela, identifying the officials involved in the over-expenditure and the items purchased with the monies that exceeded the budgeted amount, as well as the component regarded as irregular expenditure bought in contravention of National Treasury instructions.

### **32.4 Wasted Expenditure – Signing of Letter re R90m Contract – Annual Report p. 627, Note 1 (Item 4.4, Agenda p. 6)**

The Committee requested a far more detailed report on this matter and raised several questions about the short, summarised report that was submitted (agenda p. 6), in particular regarding the statement that “according to Legal Services this matter had been closed and no further updated status reports were made available with regard to accountability and/ or recovery for the disclosed expenditure”.

More details were requested as to why Legal Services had closed the matter. Councillor Ntshanyana said that in terms of the Auditor-General’s Report, it was a matter of “consequence management” to establish what had been done to ensure that this situation never occurred again.

Councillor Biddulph stated that the Internal Audit investigation report on the case had never been submitted to MPAC. He asked who, if anyone, had been investigated and held liable, if not for the contract amount, then for the legal fees incurred. MPAC needed to see such reports in order to make recommendations concerning the recovery of monies.

Councillor Bobani supported the call for a detailed report, and pointed out that the contract for the security company currently hired by the Municipality had never been put out to tender.

The Director : Internal Audit proposed, and it was agreed, that Internal Audit submit a report to the next ordinary MPAC meeting on the scenario that unfolded after the aforesaid Internal Audit investigation into the situation around the Metro Security contract was conducted and discussed with the previous City Manager and Legal Services. The Director : Internal Audit added that Legal Services could at the same time provide their input on the matter to MPAC, and the Committee could then take the matter up from there.

The Acting Director : Legal Services (Ms Nobuntu Mpongwana) stated Legal Services would provide its input on the matter in a comprehensive report to MPAC.

**RESOLVED:**

That in the matter of the wasteful expenditure incurred in respect of irregularities in dealing with the Metro Security Contract and the resultant legal costs incurred, the Director : Internal Audit and Risk Assurance submit a report to the next ordinary MPAC meeting, describing the scenario that unfolded after Internal Audit had investigated the aforesaid matter and discussed it with the previous City Manager and Legal Services, and that the Acting Director: Legal Services at the same time submit the input by Legal Services on the matter in a comprehensive report to MPAC.

**32.5 Wasted Expenditure – Termination of Contract - Annual Report p. 627, Note 3 (Item 4.5, Agenda p. 6)**

The City Manager reported that MPAC's recommendations regarding the wasteful expenditure incurred in respect of the Mobi Park Contract were submitted to Council in November 2014, but was withdrawn by the Executive Mayor for him to reconsider it in the first instance.

**NOTED**

**32.6 Wasted Expenditure – Overpayment to Service Provider - Annual Report p. 627, Note 4 (Item 4.6, Agenda p. 6)**

The Municipality was billed by a service provider, Shweme Civils, for invoices exceeding the approved tariffs and annual escalation awarded in the tender, so that three years into the tender, an amount of R4,71 million had been overpaid to the contractor.

Councillor Biddulph pointed out that in terms of legislation, the fact that the officials involved had left the service of the institution did not absolve them of responsibility for wasteful expenditure, which left the question: what steps had been taken to recover the money, and who, if anybody, had been held accountable for the wasteful expenditure.

The Director : Internal Audit stated that the matter had been investigated by the Internal Audit and Risk Assurance Sub-directorate which found that officials had known that R4,71 million should have been claimed back from the contractor involved, but failed to do so, and that up to the present, that amount had not been recovered. The Director said that a report would be submitted to MPAC after revisiting the Internal Audit report on the matter to determine if there had been fraudulent misrepresentation, in which case the matter would be subject to criminal investigation.

Councillor Biddulph stated that there was also the issue of the prescription of claims, as it was now seven years after the overpayment was discovered in 2008. The question now was who should have been responsible for recovering the overpaid amount, but made no effort to do so, and what steps should be taken against that person for the dereliction of duty in not having recovered the funds.

The Acting Director : Legal Services stated that there had been an attempt at the time to recover the money from Shweme Civils, but that it was found that the company GV Civils was a shell company that did not have any assets to attach. Legal Services would submit a detailed report on the matter to MPAC.

Councillor Biddulph said that a mechanism had to be found to protect the institution against the abuse of contractors hiding behind shell companies.

The Chairperson stated that the matter would again be considered once the reports thereon by the Director : Internal Audit and Risk Assurance and the Acting Director : Legal Services had been submitted to the next ordinary MPAC meeting.

**RESOLVED:**

- (a) That the Director : Internal Audit and Risk Assurance submit a report to the next ordinary MPAC meeting stating whether or not, based on the investigation that had been conducted by Internal Audit in respect of the contract awarded to Shweme Civils, there was evidence of fraudulent misrepresentation, in which case the matter would be subject to criminal investigation.
- (b) That the Acting Director : Legal Services submit a detailed report to the next ordinary MPAC meeting with details about the attempt that had been made to recover the overpayment of R4,71 million to Shweme Civils, but which failed on finding that the GV Civils company was a shell company that did not have any assets to attach.

**32.7 AFCON – Claim for R3 m Expenses - Annual Report p. 632, Note 111 (Item 4.7, Agenda p. 7)**

The Committee was of the view that the extremely brief summary in the agenda (p. 7) did not provide it with the information required to consider the matter. It was also emphasised that the institution had to reach closure on matters such as this one.

Councillor Captain stated that it had to be clarified which tier of government was to take responsibility for paying the amount of R1,37 million. Was it the national or provincial department of sport, or was it the NMBM? If it was the Municipality, the Executive Director : Sport, Recreation, Arts and Cultural Services (SRAC) should explain why the institution was to pay the amount although there were no supporting documents for the claim, and who was responsible for incurring the expenditure without having supporting documents.

**RESOLVED:**

- (a) That the Chief Financial Officer submit a comprehensive report to the next ordinary MPAC meeting, clarifying the basis of the claim for R2,97 million submitted by the Local Organising Committee of AFCON 2013 to the NMBM for expenses incurred by AFCON which are allegedly for the account of the NMBM.
- (b) That the Chief Financial Officer propose a method for dealing with the claim that an amount of R1,37 million arising from (a) above is allegedly to be paid by the NMBM, although the claim is not backed by supporting documents.

### **33. OUTSTANDING MATTERS (Item 5, Agenda p. 7)**

#### **RESOLVED:**

- (a) That the reports required in respect of **Items 5.1, 5.3, 5.4 and 5.5** (agenda p. 7) be submitted to the next **ordinary** MPAC meeting.
- (b) That the report required in respect of **Item 5.2** about Irregular Appointments at Satellite Offices, which could have financial implications, be submitted by the City Manager to one of the remaining two scheduled MPAC meetings on the Annual Report, i.e. on 5 March and 12 March 2015.
- (c) That Item 5.3 be amended to include the statement that the completed and signed business interests of the directors of the MBDA must be submitted to MPAC at its next ordinary meeting.
- (d) That item 5.6 be amended to read as follows: "That the Director : Internal Audit submit an Action Plan to MPAC on how to address the Auditor-General's findings."

**(Note by Secretariat:** The Director : Internal Audit stated that she had drafted a document in the above regard, and that she would hand it to the Chairperson and discuss it with him.)

### **34. QUESTIONS RAISED ON 2013/14 ANNUAL PERFORMANCE SCORECARD REPORT**

The Committee raised the questions set out hereunder regarding the KPIs reflected in the Scorecard Report on the colour-coded spreadsheets that were circulated in addition to the same report (without colour-coding) in the 2013/14 Annual Report (pp. 261 to 296). (**Note:** Page numbers used in Minute No. 34 refer to the pages of the colour-coded spreadsheet report.)

The relevant Executive Directors were required to submit written responses to the questions for inclusion in the MPAC agenda for the meeting scheduled for 5 March 2015.

#### **34.1 Integrated and Sustainable Human Settlements**

**34.1.1 Page 1, KPI 1.1.3(b): Land for Social Housing:** The Committee enquired about the reasons why the target was not met, and whether a Memorandum of Understanding had been concluded. The Human Settlements official at the MPAC meeting stated that a meeting had been held with the City Manager and the matter concluded. MPAC asked for details of how it was concluded.

**34.1.2 Page 1, KPI 1.1.6: Land set aside but no houses built:** 2 400 hectares of land was set aside for township establishment, but no houses were built and the KPI was deleted from the 2013/14 Human Settlements' Scorecard. A status report was requested.

**34.1.3 Page 1, KPI 1.1.7: Households relocated to Greenfield areas - underperformance:** Time-frames were requested for the appointment of service providers to transport households to destination sites.

## **34.2 Water**

**34.2.1 Page 2, KPI 1.2.2: Water connections at new state subsidised houses:** Has water meter shortage been resolved? Will new 3-year contract for suppliers of water meters ensure that this problem does not recur?

**34.2.2 Page 2, KPI 1.2.5: Reduction in water losses:** 2013/14 year was disastrous in respect of water losses. The new strategy was applauded and will hopefully go a long way towards solving problems, but monitoring is needed.

## **34.3 Sanitation**

**34.3.1 Page 2, KPI 1.3.1: % households with access to sanitation:** The bucket toilet system does not feature as a separate item. Why does NMBM fail the community on this basic need, e.g. because of lack of funding? A report is required with time-frames for eradicating bucket toilets.

**34.3.2 Page 2, KPI 1.3.2: New state subsidised houses with sewer connections:** Statement was made that NMBM failed to achieve this KPI as well as the previous one (KPI 1.3.1) How far is the process of identifying suppliers to address the problems identified? Only 773 new state subsidised houses out of a target of 2 078 were supplied with sewer connections. Who was failing, and why?

## **34.4 Roads and Transportation**

**34.4.1 Page 3, KPI 1.4.1 and KPI 1.4.2: Kilometres of gravel roads tarred and number of gravel *cul-de-sacs* tarred:** Hardly any progress was made in respect of tarring roads. Details were required on what corrective action will be taken to address this, with time-frames. The question was asked why Council was using the same contractors who have failed to perform on other contracts,

and it was stated that this was one of the reasons why SMMEs are protesting. A full report was requested on whether appointments are made in terms of the BEE policy, and what the policy is in respect of SMMEs. It was enquired how far the NMBM was in developing a Framework for the employment of SMMEs.

**34.4.2 Page 3, KPI 1.4.3: Kilometres of new sidewalks constructed – Woltemade Road:** A comment was made under this point about the tarring of Woltemade Road. It was stated that work on the contract started late and the work was not yet completed. A report was requested on the quality of the work done, the time-frame for completion and whether penalties are being paid by the contractor for late delivery.

**34.4.3 Page 3, KPI 1.4.4: Kilometres of roads resurfaced:** A report with reasons for the overpayment of R30 million on this KPI was requested.

#### **34.5. Electricity and Energy**

**34.5.1 Page 4, KPI 1.6.3: % electricity losses in line with NERSA standards:** A progress report was requested on what had been achieved since contractor was appointed in January 2014. It was presumed that the strategy presented at the last meeting will solve the problem.

**34.5.2 Page 4, KPI 1.6.6 and KPI 1.6.7: Number of sports fields and number of post top lights retrofitted with energy-efficient lighting:** An explanation was requested for the poor underperformance in respect of both these KPIs.

**34.5.3 Page 5, KPI 1.6.12: Kilometres of underground cables replaced:** With reference to the statement in the report that there were delays in the awarding of contracts, a Councillor made the point that the Committee never again wanted to see a comment that work could not be done because of contracts not being in place. A report on a proposed solution to the challenge of not having contracts in place was requested.

**34.5.4 Page 5, KPI 1.6.13: Number of relays replaced:** It was stated that the Committee did not wish to see a matter such as the restructuring of the Supply Chain Management Committee system being given as the reason for the delay in awarding a contract for the supply of spare relays. A report on the reasons for the non-delivery in respect of the replacement of old protection relays was requested.

## **34.6 Waste Management**

**34.6.1 Page 6, KPI 1.7.2: Weekly waste collection service:** It was stated that Council had undertaken the previous year to implement a weekly refuse collection service to all households within the NMBM area, but did not achieve that target. It was enquired whether Council was committed to make this a reality in the 2014/15 financial year, and a report with time-frames was requested.

**34.6.2 Page 6, KPI 1.7.3: Number of waste management cooperatives maintained:** It was commented that the report indicated underperformance, and it was requested that the challenges that were experienced be clearly set out in a report. It was also enquired whether the anticipated appointment of 34 community-based contractors by the end of August 2014 did indeed take place.

It was stated that the townships in the NMBM area were dirty, and it was asked why there was a delay in appointing the more than 100 cooperative who were trained with Small Enterprise Development Agency (SEDA) funds. A report with a full explanation and time-frames was requested.

## **34.7 Parks and Cemeteries**

**34.7.1 Page 7, KPI 1.11.1: Number of public open spaces developed:** It was enquired if and how the “arrival of cold weather” could have hindered the installation of playground equipment, and it was requested that this point be explained in a report.

## **34.8 Traffic and Licensing**

**34.8.1 Page 7, KPI 1.12.2: Number of traffic safety initiatives implemented:** Regarding the statement that Traffic Contravention System would be fully operational in the 2014/15 financial year, it was requested that it be reported whether the system was now indeed operational, and if not, what was the time-frame for it to be functional again.

**34.8.2 Page 8, KPI 1.12.4: % traffic fines collected:** It was requested that a progress report be provided on the two issues in the statement that (i) other payment options would be explored and (ii) that funded vacancies would be filled.

Regarding the reference to a traffic fine amnesty programme to be implemented during 2014/15 to encourage people to pay their traffic fines, it was enquired whether non-payers would first be encouraged to pay their fines before the



amnesty was implemented. A report on this question, and on the criteria used to implement an amnesty, was requested.

### **34.9 Performance Management**

**34.9.1 Page 10, KPI 2.1.4: Annual performance evaluation of managers:** The comment regarding the sudden resignation of the Audit Committee Chairperson and the measures described to solve the problem of completing performance evaluations were considered not good enough.

### **34.10 Human Resource Transformation**

**34.10.1 Page 11, KPI 2.2.7: % recruitments and appointments made within three-month turnaround period:** A more detailed explanation was required for the underperformance on this KPI.

**34.10.2 Page 22, KPI 2.2.8 (Subsections 2.2.8.1; 2.2.8.2; and 2.2.8.3): Number of persons from employment equity target groups employed in three highest levels of management:** It was considered that the statement in the report that the data could not be verified, is unacceptable, and it was stated that more facts should be submitted.

It was pointed out that the targets were lowered, but the achievements in respect thereof remained low. A report to clarify the following issues was requested:

- The breakdown given is insufficient. It had to be reported how many staff are employed by the NMBM, as against the number of funded vacancies.
- Figures in respect of the number of contract workers must be given.
- An explanation was required as to how the Council resolution dated 23 January 2014, referred to in the report, affected targets.

### **34.11 Labour Relations**

**34.11.1 Page 11, KPI 2.3.1: Number of managers trained to conduct disciplinary and grievance hearings:** The following points were made:

- An explanation was required as to whether the Corporate Services Directorate (Human Resources) or the Supply Chain Management Unit was responsible for the fact that the managers were not trained.
- The Chief Financial Officer must take note of the Supply Chain Management's involvement in stopping tenders and the supply of information.

- A report was requested on what progress is being made towards finalising the new Organogram.

### **34.12 Poverty Eradication**

**34.12.1 Page 13, KPI 3.2.4: Number of tourism businesses trained in tourism and entrepreneurship:** It was stated that not enough was being done to reach the public to promote tourism. Ward Councillors should spread the information, and it could also be done at public participation meetings. It was a concern that the Tourism Board workshop in June 2014 was poorly attended. It was proposed that Council's Tourism Strategy possibly needed to be reviewed.

The statement was made that any KPI concerning Poverty Eradication should be achieved at all times, underperformance in that regard was unacceptable.

**34.12.2 Page 13, KPI 3.2.5(a): Number of SMME incubators maintained through providing financial support – Information Communication Technology:** An explanation was required on how the R370 000 paid by the NMBM to the Information Technology Incubator was spent.

**34.12.3 Page 13, KPI 3.2.6: Number of SMME incubators maintained through providing financial support – Construction:** An explanation was required on how the R620 000 paid by the NMBM to the Construction Incubator was spent.

### **34.13 Broad-based Economic Empowerment (BEE)**

**34.13.1 Page 14, KPI 3.3.1: Tenders awarded to previously disadvantaged individuals:** A full explanation is required on why the targets were not met.

### **34.14 Recreation, Arts and Culture**

**34.14.1 Page 15, KPI 3.5.3: % completion of Mendi Multi-purpose Cultural Centre:** An updated report on this project, with time-frames for its completion, was requested.

### **34.15 Budgeting and Financial Accounting**

**34.15.1 Page 16, KPI 4.3.3: % outstanding service debtors to revenue:** It was pointed out that High Energy Users in the NMBM area are paying a percentage of their electricity debt while problems are being addressed. Why is this action not being implemented in respect of Domestic and Business customers, in particular, the Top 10 debtors in these categories? What measures are being taken to improve revenue collection performance? A report in response to these questions is required.

### **34.16 External Relations**

**34.16.1 Page 17, KPI 5.2.5 and 5.2.6: Investigate establishment of sister city partnership with city in Brazil, Russia or India:** The Committee requested a report explaining the reasons for the failure to achieve this target.

### **34.17 Internal Audit and Risk Assurance**

**34.17.1 Page 17, KPI 5.3.1: Receipt of unqualified Audit Report:** It was emphasised that the Action Plan referred to must be monitored monthly; the Committee wants the assurance that this is being done. It was also stated that Internal Audit should be playing a role and must explain why this KPI was not met.

### **34.18 Public Participation**

**34.18.1 Page 18, KPIs 5.5.4 – 5.5.10: Public Participation in various forms:** It was acknowledged that public participation was poor, and that a comprehensive report was required with proposals for improving it. (See also comment captured hereunder as Minute No. 34.21.)

### **34.19 MURP**

**34.19.1 Page 20, KPI 6.1.9: % completion of Motherwell Thusong Service Centre:** The Committee requested an updated report on the status of the project and when the Centre would open.

## **34.20 Military Veterans**

**34.20.1 Page 21, KPI 6.3.1: Number of additional Military Veterans registered on NMBM database:** Concern was expressed at the failure to achieve this target, and a report with a full explanation was requested.

**34.20.2 Page 21, KPI 6.3.3: Construction of Wall of Remembrance:** Shock was expressed at the statement in the report that there had not been a budget for this project, which deserved to have been prioritised. A report providing an explanation was requested.

## **34.21 Comments on Public Participation Meetings**

During the discussion on the Public Participation KPIs the following concerns/comments were raised:

- The choice of Venues for holding meetings needs to be reviewed e.g.-
  - (i) Meetings held at City Hall are poorly attended;
  - (ii) Meetings at Walmer Town Hall are supposed to cater for a huge cross-section of the community, i.e. those from the township and those from the more affluent area of Walmer. These people have vastly different needs and expectations of what they want to hear about at public meetings. The Constituency Office should ensure that they arrange separate meetings and continue to have the ones for Walmer Township Communities at the school hall in the township as it is too far for the people to walk to Walmer Town Hall. The packaging of information to be disseminated to the different communities at meetings should be carefully planned to be meaningful to the targeted audience.
  - (iii) Meetings in the Western areas should not be held during working hours or at 17:00 as it does not give working people enough time to get to the venue. Despite several attempts by the Ward Councillor to get this request through to the Constituency Office, she has to date been unsuccessful. The community in this ward would also appreciate a visual slide presentation on budget issues which would make debate on the issue more meaningful.
- Persons employed to do loudhailing in various wards where this is the practice, should know the area thoroughly to enable a proper job to be done.
- Information on successful projects undertaken or completed (success stories) should also be disseminated at these meetings.

- A new Strategy is required for Public Participation meetings, as the existing one is failing.

**NOTED AND RESOLVED:**

That the Office of the Constituency Co-ordinator review the existing Public Participation Strategy with a view to improving its efficiency and taking into account the comments made by MPAC as noted in the preamble above, and submit it to the relevant Standing Committee.

The meeting terminated at 12:20.

**COUNCILLOR V J TUTU  
CHAIRPERSON**

**MINUTES OF PROCEEDINGS OF  
THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
(Meeting held on 17 February 2015)**

**PRESENT:** Councillor V J Tutu (Chairperson)

Councillor B N Biddulph  
Councillor X C Bisset  
Councillor N R Captain  
Councillor A P Dashwood  
Councillor T Gana  
Councillor M E G Harning  
Councillor B N Mafaya  
Councillor J N Mapu  
Councillor H Müller  
Councillor T S Noqoli  
Councillor K G Ntshanyana  
Councillor R Odendaal

**ALSO PRESENT:** Councillor M Bobani (09:33)  
Councillor M Booysen  
Councillor M S Hote  
Councillor M Jarvis  
Councillor S M Jodwana  
Councillor M Steyn

Chief Operating Officer  
Chief Financial Officer  
Executive Director : Infrastructure and Engineering  
Executive Director : Electricity and Energy  
Executive Director : Safety and Security  
Acting Executive Director : Public Health (Mr A Tolom)  
Director : Internal Audit and Risk Assurance (Ms B Chan)  
Director: Motherwell Urban Renewal Programme (MURP) (Mr N Dunjana)  
Director : City Manager's Office (Ms N Mzinzi)  
Director : Strategic Projects (EDTA) (Ms A Büchner)  
Director : Wastewater Treatment (Mr A M Mancotywa)  
Deputy Director : MPAC Office (Mr S Matyolo)  
Deputy Director : Libraries (SRAC) (Ms B Chigumbu)  
Project Manager : IPTS (Adv. M Tshamase)  
Acting Senior Director : Infrastructure and Engineering (Mr T Arthur)  
Acting Director : Legal Services (Ms N Mpongwana)  
Acting Director : Labour Relations (Corporate Services)

(Mr H Viviers)  
Assistant Director: Monitoring and Evaluation (Mr M Sipuka)  
Assistant Director : Committee Services (Ms J Sigonyela)  
Acting Assistant Director : Legal Services (Mr J M Ganyaza)  
Representative: Whippery - Human Settlements (Mr  
S Jodwana)  
Financial Officer (Human Settlements) (Ms R Smit)  
Financial Officer : IPTS (Mr M Skade)  
Audit Committee Member (Mr J Nèves)  
Chief Committee Officer (Ms A Craighead)  
Committee Officer (Ms S Joubert)  
Committee Officer (Ms V Heera)

### **APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES**

There were no applications for leave of absence. Apologies were submitted on behalf of the City Manager and the Executive Directors of Infrastructure and Engineering; Human Settlements; Economic Development and Tourism; and Sport, Recreation, Arts and Recreational Services, who had to attend a critical meeting with representatives of the SMMEs sector.

**NOTED**

### **DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)**

Councillor Harning stated that she would recuse herself if matters concerning pay parity and/ or employment equity were discussed.

**NOTED**

### **DISCLOSURE OF INTERESTS BY OFFICIALS**

There were no disclosures.

## **CONFIRMATION OF MINUTES – MEETING HELD ON 3 FEBRUARY 2015**

### **RESOLVED:**

That the Minutes of Proceedings of the Municipal Public Accounts Committee at its meeting held on 3 February 2015, as circulated, be hereby confirmed.

### **OPENING STATEMENTS**

The need for MPAC to be made a dedicated, stand-alone Committee was raised again, in view of the amount of work that was required to ensure a more favourable audit outcome in future. The Chairperson stated that he would report on developments in that regard in due course.

The Chairperson also referred to the oversight site visits currently being undertaken by MPAC to various projects and locations in the NMBM area. He expressed regret that not all MPAC members attended these site visits. However, it was pointed out that in the case of the recent Swartkops River site visit, several Councillors who would have attended could not do so because the scheduled date of the visit was changed to a date on which they had a prior commitment.

It was agreed that as far as possible, dates for site visits would not be changed after having been set and diarised, and it was also noted that site visits should not be scheduled for Mondays, when other Council business had to be prioritised.

### **NOTED**

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

### **23. 2013/14 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY(10/1/1/1) (Item 1, Agenda p. 4)**

The Committee continued its consideration of the 2013/14 Annual Report by discussing the following matters arising from the Municipality's **Audited Consolidated Financial Statements for the year ended 30 June 2014** (Annual Report p. 557):



### **23.1 HERITAGE ASSETS AND INVESTMENT PROPERTY : HERITAGE SITES (Annual Report p. 582) AND LAND ASSETS (Annual Report p. 584)**

Councillor Odendaal referred to “Heritage Sites” (Annual Report p. 582) and stated that it was believed that work on a Heritage Asset Register for the NMBM, which started some years ago, had not yet been completed. It was emphasised that heritage assets did not consist of the built heritage only, and that it was very important to have such a Register, inter alia, for tourism purposes.

In respect of “Investment Property - Land and Buildings” (Annual Report p. 584) the question was raised as to whether the Municipality’s Land and Immovable Properties Register was up to date, in order to identify what land was owned by Council, what needed to be maintained, and what could be used for future purposes.

Councillor Odendaal also expressed concern about the accuracy of current control measures regarding movable assets, namely vehicles, office furniture, etc.

Councillor Captain said that it had been a Council decision that a Land Asset Audit be prepared, and he proposed, and it was agreed, that progress reports in respect of both the Land Asset Register and the Heritage Asset Register be submitted to the next meeting of MPAC by the Executive Director : Human Settlements and the Executive Director : Sport, Recreation, Arts and Cultural Services respectively. The reports should also state the current condition of the assets mentioned.

The Chief Operating Officer stated that the Heritage Asset Register could not yet be completely updated because of a lack of funding. The Land and Immovable Properties Asset Register was currently being updated by the Lamacs company, and a status report, which would also state the condition of assets, would be provided to MPAC.

Councillor Odendaal proposed that the NMBM request the Provincial Government to assist with funding for the work on the Heritage Asset Register. Councillor Steyn, the Ward Councillor for Ward 5, which contains most of the heritage buildings, agreed, but commented that he was concerned that the Provincial Heritage Resources Authority was allowing some of the privately owned heritage properties to devalue or to disappear. That had to be addressed, as those privately owned heritage properties also formed part of the heritage of all the residents of Nelson Mandela Bay.

Councillor Hote suggested that the MPAC Chairperson establish a Section 71 Monitoring Committee to monitor both land and heritage matters and submit monthly progress reports thereon to MPAC, in order to assist the latter in making recommendations concerning the said assets.

Councillor Odendaal stated that Council had a Problem Buildings By-law that had been submitted for public participation, but had not yet been promulgated. That By-law would give the NMBM considerable authority to act, with due responsibility, against property

owners who did not maintain their properties. He then moved that it be a recommendation of the Municipal Public Accounts Committee that Council promulgate the Problem Buildings By-law before the end of the 2014/15 financial year.

Councillor Biddulph said that apart from heritage buildings, there were a number of problem buildings throughout the Nelson Mandela Bay area. Those were properties that were not adequately maintained by their owners. Current measures and existing by-laws did not give the officials the “teeth” to act effectively against such owners, with the result that the value of surrounding properties was also affected. He therefore endorsed the recommendation that the Problem Buildings By-law be promulgated in order to enable officials to do their work efficiently.

(It was pointed out that there was a separate Heritage By-law that still had to be promulgated, but that the Problem Buildings By-law dealt with all properties that were regarded as “problem” properties for not being adequately maintained by their owners.)

#### **RESOLVED TO RECOMMEND:**

That the Municipality promulgate the Problem Buildings By-law before the end of the 2014/15 financial year in order to enable effective action to be taken against property owners throughout the Nelson Mandela Bay area who fail to maintain their properties adequately, irrespective of whether such properties are registered heritage buildings or ordinary buildings.

#### **FURTHER RESOLVED:**

- (a) That progress reports in respect of both the Land Asset Register and the Heritage Asset Register be submitted to the next meeting of MPAC by the Executive Director : Human Settlements and the Executive Director : Sport, Recreation, Arts and Cultural Services respectively in consultation with the Chief Operating Officer, such reports also to state the current condition of the assets mentioned.
- (b) That the City Manager: NMBM apply to the Eastern Cape Provincial Government for funding assistance for the completion of its Heritage Asset Register.

## **23.2 REMUNERATION OF COUNCILLORS (Annual Report p. 614, Note 27)**

### **23.2.1 Cellphone and 3G Card Usage Cost**

Councillor Odendaal stated that a number of Councillors owed the Municipality money because their cellphone and 3G card usage costs had not been deducted from their remuneration. He enquired whether that matter had now been resolved.

**RESOLVED:**

That the Chief Financial Officer report on whether monies outstanding in respect of Councillors outstanding cellphone and 3G card usage costs had been recovered in full, and if not, what amount was still outstanding.

**23.2.2 Councillors' arrear consumer accounts and traffic fines (Annual Report p. 617, Note 36.1)**

Concern was expressed about Councillors' municipal accounts that were in arrears for more than 90 days. It was enquired whether Council's policy, in terms of which monies owed in excess of a certain period be deducted from Councillors' remuneration, was still in place.

The Chief Financial Officer responded that he would ensure that the above-mentioned policy, which was in place but was currently not being enforced, was re-implemented.

The issue of Councillors' outstanding traffic fines was also raised, and the Executive Director : Safety and Security was instructed to submit a report to the Committee, listing the names of Councillors who had outstanding traffic fines, and the amounts involved. The Executive Director: Safety and Security said that he would ascertain from the Traffic and Licensing Services Sub-directorate what information was available in that regard, and submit a confidential report to the Committee.

The Chairperson stated that in terms of the policy that was introduced in 2000, the Administration had to notify Councillors in writing of their outstanding accounts, after which payments had to be made, failing which, deductions would follow after a certain period. There was also a point at which Councillors would be given the opportunity to make arrangements to pay off the arrears. However, the policy was not being enforced at present, and when the Chairperson had visited the Traffic and Licensing Services offices, the details of the amount to be paid by him could not be found on the computer programme. A stop-order arrangement that he made was also not working.

Councillor Captain stated that by not enforcing the policy, officials had failed Councillors. He proposed, and it was agreed, that the Chief Financial Officer report to the next MPAC meeting how the policy would be implemented and enforced.

**RESOLVED:**

- (a) That the Chief Financial Officer submit a report to the next MPAC meeting setting out how Council's policy for the payment of Councillors' outstanding municipal accounts and traffic fines will be re-implemented and enforced, inter alia, by ensuring that the relevant officials notify Councillors in writing of their arrears.
- (b) That the Executive Director: Safety and Security, in conjunction with the Traffic and Licensing Services Sub-directorate, submit a confidential report listing the

names of Councillors with outstanding traffic fines, and the amounts involved, to the next meeting of the Committee.

### **23.3 IRREGULAR EXPENDITURE (Annual Report p. 626)**

#### **23.3.1 Nelson Mandela Memorial Service expenses (Annual Report p. 626, Note 9)**

Councillor Odendaal stated that it was known that the Municipality would, rightfully, set aside a substantial amount for the Nelson Mandela Memorial Service. However, it was disturbing that irregular expenditure in the amount of R1 129 601 (for catering) and R722 100 (for T-shirts) had been incurred, notwithstanding the guidelines in National Treasury Circular 68 issued in 2013. He posed the question why senior officials, with advisors and an in-house Legal Services Sub-directorate, neglected to caution that if services and goods were provided at the amounts mentioned above, irregular expenditure would be incurred. He requested information on what action would be taken against the officials who were responsible for the decision to proceed with the expenditure.

The Chief Financial Officer stated that he would submit a response to the next MPAC meeting.

#### **RESOLVED:**

That the Chief Financial Officer submit a report to the next MPAC meeting, stating which officials were responsible for incurring irregular expenditure in the amount of R1 129 601 for catering services and R722 100 for the printing of T-shirts on the occasion of the Nelson Mandela Memorial Service, and what action is to be taken regarding this matter.

#### **23.3.2 Irregular appointments (Annual Report p. 626, Note 10)**

Councillor Odendaal stated that he had repeatedly written to the City Manager and the Executive Mayor, appealing to them to recall the mayoral satellite office coordinators who had been set up as parallel structures to the Ward Councillors' offices in some wards in contravention of the Municipal Systems Amendment Act. He said that it was the duty of MPAC as an oversight body to ensure compliance with legislation, and he would request the City Manager to investigate the matter and explain how it had been allowed that the satellite offices were established contrary to the law. He pointed out that if no action was taken, the matter would again appear in the Auditor-General's Report on the next Annual Financial Statements.

Councillor Captain proposed that the Auditor-General's report as per Note 10 be accepted, but agreed that a report be requested from the City Manager, setting out the reasons for the Executive Mayor's decision to establish the satellite offices.

Councillor Ntshanyana added that it had to be established if the positions of the office coordinators were included on the NMBM's Organogram, because any appointments made outside of an institutionally approved Organogram were illegal, and the City Manager should make recommendations about the possible termination of contracts.

Councillor Bobani and Councillor Bisset both suggested that it had to be established whether the Executive Mayor, in terms of his executive powers, indeed had the authority to have made the appointments, and it was agreed that the City Manager should also address that point in his report.

**RESOLVED:**

That the City Manager submit a report with recommendations to the next MPAC meeting, in respect of the following issues:

- (i) the reasons for the Executive Mayor's decision to establish mayoral satellite offices as parallel structures to Ward Councillor's offices in some wards, in view of the finding by the Auditor-General that the appointment of the office coordinators was a contravention of the Municipal Systems Amendment Act; and
- (ii) the status of the positions of the satellite office coordinators on the NMBM's Organogram, and the possible termination of the coordinators' contracts.
- (iii) whether or not the executive powers of the Executive Mayor provided him with the required authority to have made the appointments.

Several **further questions** and comments were made in respect of the matters indicated hereunder, together with responses in respect thereof by the relevant officials:

**23.3.3 Page 597, note 4: Long-term liabilities: financial liabilities and loans:** The Chief Financial Officer explained that the interest rates varied because the loans were taken out at different times. He added that the possibility of a Muni-Bank, which would ensure a better rate, had been considered.

**NOTED**

**23.3.4 Page 626, Note 6: Acting appointments longer than 3 months:** The Chief Financial Officer stated that it was unlikely that this would occur again.

**NOTED**

**23.3.5 Page 626, Note 8: Payments made without a valid contract in place:** The Chief Financial Officer stated that officials should act with the necessary care to ensure that this would not occur again.

**NOTED**

**23.3.6 Page 626, Note 11: Breach of Supply Chain Management Policy: Irregular appointment of service provider for IPTS marketing strategy:** The Project Manager: IPTS referred to his report to the previous MPAC meeting. He also stated that the expense incurred via a deviation was R26 million, and not R27 107 996, as stated in Note 11. He added that a Workshop on the IPTS was being planned in consultation with the Speaker's office on a day during the period of 9 to 13 May 2015, and notifications would be sent out once a date was finalised.

Councillor Odendaal noted the information provided by the Project Manager : IPTS, and stated that it would be advisable that he follow up the discrepancy between the amount of R26 million and the R27 107 996 and attempt to have it rectified.

He expressed concern that there seemed to be no plans yet for the Special MPAC meeting to discuss certain allegations concerning the IPTS project. Submissions in that regard had been made to the City Manager by Councillor Bobani and himself, and it was thought that the City Manager would expedite the matter.

**NOTED:**

- (a) That the planning of a strategic workshop on the IPTS, as reported by the Project Manager : IPTS during the period of 9 to 13 May 2015, be noted.
- (b) That it be noted that a special MPAC meeting on the IPTS to discuss certain allegations made in respect of the Project, based on submissions made to the City Manager by Councillors Bobani and Odendaal, had to take place as a matter of urgency.

**23.3.7 Page 627, Note 1: Wasted expenditure as a result of the premature signing of a letter:** The Chief Financial Officer stated that this matter, which concerned the signing by an official of an acceptance letter for a R90 million contract prior to the Municipal Manager signing the Bid Adjudication Committee's recommendation, resulting in civil litigation by the contractor against Council, was an old matter, going back some years, and he would submit a report in respect thereof to MPAC.

**RESOLVED:**

That the Chief Financial Officer submit a report to the next meeting of MPAC in respect of the issue concerning the premature signing of an acceptance letter by an official for a R90 million contract, which resulted in wasted legal costs to Council.

**23.3.8 Page 627, Note 3: Wasted expenditure as a result of overpayment of a contract:** Councillor Odendaal said that it was assumed that this item referred to the Mobi Park contract. He enquired why it had not been resolved yet, as it was thought that a settlement agreement had been reached.

**RESOLVED:**

That the Chief Financial Officer report to MPAC on whether Note 3 on page 627 referred to the Mobi Park contract issue, and if so, the reasons why that matter was not resolved yet.

**(NOTE BY SECRETARIAT:** There were recommendations from MPAC regarding the recovery of the Fruitless and Wasteful Expenditure in respect of this matter on the Council Agenda dated 18 October 2014 (meeting postponed to 13 November 2014). However, at that meeting the item was withdrawn by the Executive Mayor for further consideration by him in the first instance.)

**23.3.9 Page 627, Note 4: Wasteful expenditure due to overpayment of a service provider, which overpayment was never recovered:** It was requested that more information about this matter be supplied to MPAC.

**RESOLVED:**

That the Chief Financial Officer supply more details about the overpayment issue referred to in Note 4, in order to put the Committee in a better position to consider the case.

**23.4 CONTINGENT LIABILITIES (pages 628 – 634, Note 45(a) AND PROVISION FOR CLAIMS (pages 635 – 640, Note 45(b))**

In response to questions raised regarding items listed on the above-mentioned pages, the Chief Financial Officer pointed out that items and costs listed under “Contingent Liabilities” referred to costs which would only be incurred if the court ruled against the Municipality. Items and costs listed under “Provision for Litigation and Claims” referred to financial provision made for paying legal claims and legal costs.

**NOTED**

**23.4.1 Page 628, Note 2: Contingent liabilities: Swartkops Seesout suing Municipality for alleged sewage spillage into salt pans:** The claim of R7,1 million instituted by Swartkops Seesout was met with alarm, and it was pointed out that it highlighted the risks the Municipality was exposed to because of pollution of the Swartkops estuary. It was requested that the Executive Director : Infrastructure and Engineering report on this matter.

**RESOLVED:**

That the Executive Director : Infrastructure and Engineering submit a report to MPAC with details regarding the claim instituted by Swartkops Seesout against the Municipality for an alleged sewage spillage into the salt pans.

**23.4.2 Page 632, Note 95: Contingent liabilities: Cherry Industrial : Plaintiff hired machines to different Directorates and allegedly received no payment:** Dismay was expressed at this allegation against the Municipality, and more details were requested from the Executive Director : Infrastructure and Engineering. It was also commented that failure to pay service providers within 30 days, as required by law, was due to the failure of officials to compile paperwork timeously.

**RESOLVED:**

That the Executive Director : Infrastructure and Engineering submit a report to MPAC with reasons for the alleged non-payment of Cherry Industrial for the hiring of machines by different Directorates of the NMBM.

**23.4.3 Page 632, Note 99: Contingent liabilities : J E F Engineering:** Councillor Odendaal stated that he was still trying to assist this contractor to have his account settled by the Municipality after several years.

**RESOLVED:**

That the Executive Director : Infrastructure and Engineering submit a report to MPAC with reasons for the alleged long delay in settling the account of J E F Engineering, although the word "Finalised" appears at the end of Note 99 on page 632.



**23.4.4 Page 632, Note 111: Contingent liabilities: AFCON : Claim for expenses allegedly incurred re 2013 African Cup of Nations:**

**RESOLVED:**

That the Chief Financial Officer provide MPAC with details of the reasons for, and the nature of, the expenses allegedly incurred by AFCON on behalf of the Municipality for the 2013 African Cup of Nations.

**23.4.5 Page 637, Note 61: Provision for litigation and claims: Claim for injuries to minor child resulting from alleged collapse of municipal playground jungle-gym:** Councillor Odendaal stated that it was essential to ensure that municipal playground equipment was safe and up to standard. Complaints about faulty playground equipment were often heard by Ward Councillors, and officials in the Public Health Directorate (Parks) should address this very serious issue.

**RESOLVED:**

That the Acting Executive Director : Public Health (Parks) take action to ensure that all municipal playground equipment are safe and up to standard in order to protect children from injury caused by using such equipment.

**23.4.6 Page 639, Note 114: Provision for litigation and claims : E CAR Hire : Claim against Municipality for unpaid invoices:** It was stated that the Municipality was seriously undermining smaller companies in particular by not paying them on time. An appeal was made to the Chief Financial Officer to intervene in this case, but it was emphasised that it was the relevant officials who should ensure that payments were made, and if there were problems with accounts, also to address those.

**RESOLVED:**

That the Chief Financial Officer intervene in the case of the unpaid invoices of the E CAR Hire company in order to effect the required payments.

**23.4.7 Page 640, Note 46.1: Progress on implementation of Kabuso Report recommendations:**

The Chief Operating Officer reported that Council had adopted an Action Plan in terms of which certain actions had to be implemented by the relevant officials. A Task Team of Councillors which was appointed to oversee the implementation of the Action Plan had a meeting during the previous week (of 9 to 13 February 2015) and developed a plan of weekly meetings at which reports on the implementation of the Action Plan would be submitted by officials. He stated that a number of Directorates were involved, including

the Economic Development and Tourism Directorate and the Sport and Recreation Services Sub-directorate. The officials would soon visit the resorts mentioned in the Kabuso Report to assess progress made and will provide a status report to Council and to MPAC.

The Chief Operating Officer said that a report on the cases that were currently before the court in terms of the Kabuso Report, and the contract value thereof, would be submitted by Legal Services to the next ordinary MPAC meeting.

Reference was made to the fact that there were several other legal cases outstanding.

**NOTED AND RESOLVED:**

- (a) That a report in respect of progress made with legal cases currently before the court in terms of the Kabuso Report, and their contract value, be submitted to MPAC by the Legal Services Sub-directorate in conjunction with the Chief Operating Officer.
- (b) That a status report on the implementation of the Kabuso Report's recommendations be submitted to MPAC following an oversight visit to the resorts concerned by officials working for the Kabuso Task Team of Councillors.
- (c) That the Legal Services Sub-directorate submit a report to the next ordinary MPAC meeting on all legal cases outstanding, the values thereof and the criteria used in allocating cases to outside firms.

**23.4.8 Pages 628 – 634: Questions about Contingent liabilities : Cases of alleged unlawful arrest and assault (Councillor Biddulph) and Report requested with details of all matters listed on pages 628 to 640 (Councillor Captain):**

Councillor Biddulph stated that there were about 24 cases in the section under "Contingent Liabilities" (on pages 628 to 634) related to alleged unlawful arrest and assault. He asked whether those were new cases, or whether they related to old matters, and also if they were being investigated to establish if there had been any failing on the part of the Municipality. Clarity on these issues was needed, as the said cases involved a potential liability of roughly R2,5 million.

Councillor Captain proposed that in order to facilitate a further discussion of matters listed under "Contingent Liabilities" (pages 628 to 634) and "Provision for Litigation and Claims" (pages 635 to 640), a report with concise details on the status of all those matters be reported to MPAC by Legal Services, in consultation with Human Resources (Labour Relations), where applicable.

At the end of the Committee's discussion of the Audited Financial Statements, the Chairperson also instructed that the Director : Internal Audit, in conjunction with the Chief Financial Officer, report to MPAC on all the challenges and achievements in terms of implementing the Auditor-General's findings.

**RESOLVED:**

- (a) That the Acting Director : Legal Services, in consultation with Human Resources (Labour Relations) where applicable, submit a report to the next meeting of MPAC with details on the current status of all the items listed under "Contingent Liabilities" (pages 628 to 634) and "Provision for Litigation and Claims" (pages 635 to 640).
- (b) That the report per (a) above also state whether the cases related to alleged unlawful arrest and assault in the section under "Contingent Liabilities" (pages 628 to 634) are new or old cases and if they are being investigated to establish if there has been any failing on the part of the Municipality.
- (c) That the Director : Internal Audit, in conjunction with the Chief Financial Officer, report to MPAC on all the challenges and achievements in terms of implementing the Auditor-General's findings, including where policies were not implemented, and the reasons why not.

**23.5 Mandela Bay Development Agency Annual Report 2013/14 (Annual Report p. 693)**

Councillor Captain requested a report on the process that was followed in respect of the recent appointment of the new Board of Directors of the Mandela Bay Development Agency, as well as more information about the working of the entity's Supply Chain Management Policy.

**RESOLVED:**

That the Executive Director : Economic Development and Tourism request the Chief Executive Officer of the Mandela Bay Development Agency to submit a brief report to MPAC with details in respect of:

- (i) the process that was followed in respect of the new Board of Directors of the entity; and
- (ii) the working of the entity's Supply Chain Management Policy.

**Note:** The Committee decided not to consider the Annual Performance Report and Scorecards as per Item 1 on the MPAC agenda dated 17 February 2015 at that stage, but to proceed to Item 2 on that agenda. It was agreed that the Annual Performance Report and Scorecards would be considered at the next MPAC meeting.

**24. RECOVERIES IN TERMS OF SECTION 32 OF THE MFMA – UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE (5/20/2/5) (Item 2, Agenda p. 4)**

The comment was made that the report presented a dismal picture of the institution's ability to recover funds from officials who did not spend public monies effectively or in a legally compliant manner.

It was stated that while irregular expenditure could never be entirely avoided, the present unacceptably low levels of recovery, even of fruitless and wasteful expenditure, had to be addressed, and it was recommended that the MPAC Subcommittee on Unauthorised, Irregular and Fruitless or Wasteful Expenditure meet at least once a month to consider and process Section 32 Reports.

**RESOLVED:**

That the MPAC Subcommittee on Unauthorised, Irregular and Fruitless or Wasteful Expenditure meet at least once a month to consider and process Section 32 Reports.

**25. STRATEGY TO CURB NON-REVENUE WATER LOSSES (18/1/1/3/1/R) (Item 3, Agenda p. 5)**

The Executive Director : Infrastructure and Engineering stated in response to a question that the funding that had been promised by national government for the expansion of the Nooitgedacht Low-level Scheme in order to increase the NMBM's water supply, would not be forthcoming. The Development Bank of Southern Africa had also turned down the NMBM's application for a loan for this purpose. The Municipality would now attempt to fund the project from its own sources.

The Executive Director : Infrastructure and Engineering then made a presentation on an Action Plan for "Water Leak Detection, Repairs and Conservation", included as Annexure "A" to the MPAC Agenda dated 17 February 2015.

Some of the actions to be taken as part of the Action Plan include:

- Appointing 5 plumbers per ward, over and above the Municipality's existing plumbers

- Appointing 10 “Water Ambassadors” per ward (the names to be provided by the Ward Councillors to the Executive Director : Infrastructure and Engineering)
- Awarding contracts to Leak Detection Contractors who would be using sophisticated equipment
- Addressing water leaks on school premises in conjunction with the Education MEC
- Setting targets for reducing water leaks, with results verified and assessed by external bodies
- Using local media to raise awareness of need to conserve water in every way

While the Committee welcomed the plan, questions were raised about possible tensions that could arise in respect of the appointment of the “water ambassadors”. It was also enquired what characteristics and skills were required to qualify as a “water ambassador”.

The Committee requested that the strategy be set out in a comprehensive narrative report, rather than in the current format of a slide presentation, as contained in Annexure “A” to the agenda.

It was also proposed that the Action Plan include a direct telephone line to the Joint Operations Centre (JOC), provided that JOC be staffed with enough persons to answer the phones.

The Executive Director : Infrastructure and Engineering responded to the questions and comments by making, inter alia, the following points:

- (i) That NMBM would now prioritise the funding of the Nooitgedacht Low-level Scheme from internal sources, and funding provision would be factored into future budgets. It would also be attempted to access money through a DBSA arm that received donor funding from the European Union.
- (ii) There was the possibility of proposing to the DBSA that if it would assist the NMBM in reducing water losses by, for example R100 million, 10% of that amount would be paid to the DBSA.
- (iii) Nooitgedacht is not a dam, but an “intake” where water arrives from the Gariep Dam and is transferred to the High-level Scheme. The proposed project would be to transfer water also to the Low-level Scheme. It would be useful for MPAC to undertake a site visit to the project.
- (iv) Plumbers employed on the Action Plan for working against water losses would be contracted to work for 3 years, after which they could leave, if they so wished.
- (v) The work of the “water ambassadors” in the wards would consist of more than raising awareness of the need to guard against water loss: they would also be

expected to look out for sanitation problems, sewage spillages, potholes, illegal dumping and electricity theft.

- (vi) It would be ensured that the Action Plan workers work in conjunction with the Ward Councillors.
- (vii) The appointment of the “water ambassadors” could be a contentious matter, and the process to be followed would be set out in a report in due course.
- (viii) Water restrictions would have to be imposed if sufficient rain did not fall within the foreseeable weeks, in view of the cut-back by the Department of Water Affairs of the NMBM’s water allocation from the Kouga Dam.

**NOTED AND RESOLVED:**

That MPAC support the implementation of the newly created programme by the Infrastructure and Engineering Directorate to combat water losses, namely the Action Plan for “Water Leak Detection, Repairs and Conservation”, included as Annexure “A” to the MPAC Agenda dated 17 February 2015 forthwith.

**26. DECLARATIONS OF BUSINESS INTERESTS BY OFFICIALS (4/5/9) (Item 4, Agenda p. 5)**

Councillor Captain stated that the Committee required to see the actual declarations of business interest forms submitted by the senior officials listed in Item 4 (agenda p. 5). Councillor Odendaal added that it had to be ensured that every official in the employ of the institution sign a similar declaration of interest.

The Chief Operating Officer stated that as the first phase of the process, the City Manager, the Chief Financial Officer, the Chief Operating Officer and all the Executive Directors had filled in and signed declarations of the business interests of themselves and their close family members, The first phase could also include any other employee who felt that he or she had to declare his/her business interests. In the second phase, the process would be rolled out to the Directors, the Assistant Directors and the Deputy Directors, and in the third phase, to all other employees of the Municipality. The institution did not have the capacity to process approximately 7 000 forms in one intake.

The Director: Internal Audit stated that it was important to fill in and sign a declaration form, even in cases where employees had nothing to declare.

Councillor Odendaal stated that the matter of officials with business interests that caused a conflict of interest would keep on being registered as a matter of emphasis by the Auditor-General’s office until the Municipality has put a system in place for every one of its employees to fill in and sign a declaration of interest. He recommended that the phasing in process be adopted and be rolled out to be fully phased in by end of the

second quarter of the new financial year, namely the end of December 2015. He said that if the process was left open-ended, the same matter of emphasis would again appear on the Auditor-General's report.

The Director : Internal Audit supported the proposed process and said that it should be carried out on an annual basis.

**RESOLVED:**

- (a) That the completed and signed declarations of business interests by the City Manager, the Chief Operating Officer, the Chief Financial Officer and the Executive Directors be submitted as an Annexure to the agenda of the next MPAC meeting.
- (b) That the second phase of the process of securing declarations of business interests from employees be implemented by the completion and signing of such declarations by all Directors, Assistant Directors and Deputy Directors.
- (c) That the third phase of the process of securing declarations of business interests from employees be implemented by the completion and signing of such declarations by all employees of the Municipality across all ranks below the positions of Director, Assistant Director and Deputy Director.
- (d) That the phasing in be conducted in order to complete the roll-out of the process by the end of the second quarter of the new financial year, namely the end of December 2015, and that the process be repeated on an annual basis.

**27. REVIEW OF THE CREDIT CONTROL POLICY (5/15/P) (Item 5, Agenda p. 5)**

The Committee noted the process being followed for the review of the Municipality's Credit Control Policy and **RECOMMENDED** that the Policy be strengthened.

**SUPPLEMENTARY REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES**

**28. OVER-EXPENDITURE OF IPTS FUNDING (5/7/2/20) (Item 1, Supplementary Agenda p. 20)**

The Committee perused the report regarding the unauthorised expenditure of R146 569 702 incurred on the IPTS Project for the 2013/14 financial year, which was referred to it by the Budget and Treasury Committee, and resolved that the matter be referred to its Subcommittee on Unauthorised, Irregular and Fruitless or Wasteful Expenditure in the first instance.

**RESOLVED:**

That the matter of the unauthorised expenditure of R146 569 702 incurred on the IPTS Project for the 2013/14 financial year be referred to the Municipal Public Accounts Subcommittee on Unauthorised, Irregular and Fruitless or Wasteful Expenditure in the first instance, in terms of Section 32(2)(a)(ii) of the Municipal Finance Management Act.

The meeting terminated at 13:30.

**COUNCILLOR V J TUTU**  
**CHAIRPERSON**



**MINUTES OF PROCEEDINGS OF  
THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**(Meeting held on 24 February 2015)**

PRESENT: Councillor V J Tutu (Chairperson)

Councillor B N Biddulph  
Councillor N R Captain  
Councillor A P Dashwood  
Councillor M E G Harning  
Councillor B N Mafaya  
Councillor J N Mapu  
Councillor T S Noqoli  
Councillor K G Ntshanyana

ALSO PRESENT: Councillor M Bobani (09:10)  
Councillor M J de Andrade  
Councillor M Jarvis  
Councillor M Steyn

ABSENT Councillor X C Bisset  
WITHOUT LEAVE: Councillor T Gana

City Manager  
Chief Financial Officer  
Executive Director : Corporate Services  
Executive Director : Electricity and Energy  
Executive Director : Economic Development and Tourism  
Executive Director : Safety and Security  
Executive Director : Sport, Recreation Arts and Cultural Services  
Acting Executive Director: Motherwell Urban Renewal Programme (MURP) (Mr N Dunjana)  
Acting Executive Director : Public Health (Mr T Mokonyane)  
Director : Internal Audit and Risk Assurance (Ms B Chan)  
Deputy Director : MPAC (Mr S Matyolo)  
Project Manager : IPTS (Adv. M Tshamase)  
Acting Senior Director : Infrastructure and Engineering (Mr T Arthur)  
Acting Director : Legal Services (Ms N Mpongwana)  
Assistant Director : Monitoring and Evaluation (Mr M Sipuka)  
Assistant Director : Committee Services (Ms J Sigonyela)  
Acting Assistant Director : Legal Services (Mr J M Ganyaza)  
Acting Assistant Director : Traffic and Licensing Services (Mr G du Toit)  
Performance Management Practitioner : Office of the COO (Mr W Obeng)  
Financial Officer (Human Settlements) (Ms R Smit)  
Audit Committee Chairperson (Mr G Billson)

Audit Committee Member (Mr J A Neves)  
Senior Manager : Auditor-General's Office (Ms T de Wet)  
Manager : Auditor-General's Office (Ms F Dazana-Mbeki)  
Chief Committee Officer (Ms A Craighead)  
Committee Officer (Ms S Joubert)  
Committee Officer (Ms V Heera)

#### APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES

Applications for leave of absence because of illness were received from Councillor H Müller and Councillor R Odendaal.

Apologies were submitted for the absence of the Executive Director : Human Settlements, who had to attend to a very sensitive matter in Ward 16, and of the Executive Director : Infrastructure and Engineering, who was involved in the visit by the Deputy Minister of Water and Sanitation, Ms Pam Tshwete, for the Bucket Toilet Eradication Launch in Khayamandi, Despatch.

#### NOTED AND RESOLVED:

That leave of absence from this meeting of the Committee be granted to Councillor H Müller and Councillor R Odendaal.

#### **DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)**

There were no disclosures.

#### **DISCLOSURE OF INTERESTS BY OFFICIALS**

There were no disclosures.

#### **OPENING STATEMENTS**

The Chairperson referred to the recent "Back to Basics" workshop that was held, where the Deputy Director-General of the Department of Cooperative Governance and Traditional Affairs (Cogta) set out actions to be taken to improve service delivery by Municipalities, focusing, inter alia, on the following areas, on which Executive Directors would be required to submit monthly reports to the City Manager:

Sound financial management and accounting: A report to be submitted on how many tenders were approved during the month; and the length of time taken from advertising tenders to awarding of same.

Good governance: Reporting on what action was taken during the month against corruption, and against unauthorised, irregular and fruitless or wasteful expenditure.

Building capable municipalities: Stating how many sick-leave days were taken by each employee during the month.

“Putting people first”: Reporting on what interaction took place during the month between Ward Councillors and their communities, and how many public meetings were held to provide feedback on municipal matters to residents.

The Chairperson stated that in some Directorates, management had failed to correct deficiencies previously identified by the Auditor-General, and that had to be addressed in order to work towards achieving an unqualified audit, and eventually a clean audit.

NOTED

#### **REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES**

(The Committee was granted thirty minutes in which to peruse the agenda, which had not been received by several Councillors before the meeting. The meeting resumed at 10:00.)

#### **29. 2013/14 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 1, Agenda p. 4)**

NOTED

#### **30. DECLARATIONS OF INTEREST SUBMITTED BY OFFICIALS (4/5/9) (Item 2, Agenda p. 4)**

NOTED AND RESOLVED:

That the completed and signed declarations of business interests of all the NMBM Directors and their close family members be submitted to the next ordinary MPAC meeting.

#### **31. REPORT BACK : TRAFFIC FINES : SAFETY AND SECURITY (Item 3, Agenda p. 5)**

The Committee expressed dissatisfaction at the report received, and emphasised that the report requested on the names of Councillors who had outstanding traffic fines had to be submitted. Moreover, Councillors required to be notified of their outstanding fines, in order to make payments or arrangements.

The Acting Assistant Director : Traffic and Licensing Services, Mr G du Toit, elaborated on the report in the agenda and told the meeting that on 6 February 2015, the traffic

finer server in the Mfanasekhaya Gqobose Building crashed because of load-shedding, damaging the operating system of the server in the process. The server was sent to Cape Town, where specialists had been trying for three weeks, to date without success, to restore it, and had now called in an expert from Johannesburg to assist with the work.

In reply to a question, Mr Du Toit said that data that had been saved on a back-up system could only be accessed once the operating system was restored. A new server had been in use for the past week, but it contained only new data, and not the data on Councillors' outstanding traffic fines, as required by the Committee.

The Chairperson stated that the Traffic and Licensing Sub-directorate was not fulfilling its role in contributing to the Municipality's revenue collection. He also mentioned that he had been told that the computer system used in that Sub-directorate was not compatible with the system used in the Budget and Treasury Directorate.

Councillor Harning stated that the problem of the incompatible systems had been long-standing, and she made an appeal for the Supply Chain Management Unit to ensure that systems procured for the transfer of information were compatible. She proposed that in future, it be stipulated in contracts that when a contract came to an end, contractors shall not withhold information or equipment needed for the proper working of new systems.

The Chairperson proposed that the City Manager interact with the Traffic and Licensing Sub-directorate to improve its functioning, and Councillor Mapu suggested that the overall operational strategy of the Sub-directorate be reviewed.

**NOTED AND RESOLVED:**

- (a) That the information required by MPAC regarding the names of Councillors and the outstanding traffic fines owed by them, be submitted to the Committee as soon as it can be accessed.
- (b) That the failure of the Traffic and Licensing Services Sub-directorate in fulfilling its function in respect of revenue collection be recorded as one of MPAC's concerns.
- (c) That the City Manager hereby be requested to intervene in order to improve the overall strategy of the Traffic and Licensing Services Sub-directorate.
- (d) That the City Manager request the Supply Chain Management Unit, in consultation with Council's Municipal Information Systems (MIS) Sub-directorate, to ensure that computer systems procured for the transfer of information are compatible with existing systems in use in the institution.

**32. REPORT BACK : BUDGET AND TREASURY DIRECTORATE (Item 4, Agenda p. 5)**

**32.1 Cellphone Costs Recovery from Councillors (Item 4.1, Agenda p. 5)**

Councillor Captain requested that a report be submitted with information on the following questions regarding the provision of cellphones to Councillors:

- (i) It was unusual that cellphones were supplied to the Executive Directors before being supplied to the Councillors. Who made that decision, and what was the reason for it?
- (ii) How does the system for the allocation of cellphones to Councillors work? It was understood that cellphones would be replaced every two years, but the cellphones issued in 2011 were not replaced in 2013, but only much later. Why was that, and what would happen in future?
- (iii) It was requested that a breakdown be provided of the costs of the cellphone packages supplied to Councillors.

The City Manager replied that the cellphones that were supplied to the members of the Executive Mayor's Committee and the Executive Directors were part of "a benefit that Council received, limited to a certain number of phones" and the decision on who was to receive the phones was taken jointly by the Executive Mayor and himself (the City Manager).

Councillor Steyn pointed out that many Councillors had private cellphone packages which they paid for themselves, and enquired what was to become of the balance of the 120 cellphones that had not been taken by those Councillors who preferred to have private phones. The City Manager stated that he had been instructed to buy 120 cellphones, and he would have to find out from the political leadership how to deal with the remaining phones.

**NOTED AND RESOLVED:**

- (a) That the Executive Director : Corporate Services (Corporate Administration and Support Services) submit a report to the next ordinary MPAC meeting in response to the following questions regarding the provision of cellphones to Councillors:
  - (i) How does the system for the allocation of cellphones to Councillors work? For example, cellphones were to be replaced every two years, but cellphones issued in 2011 were not replaced in 2013 due to the unresolved court case at that time. What would happen in future?

- (ii) What is the exact breakdown of the costs involved in the cellphone packages supplied to Councillors?
- (b) That the City Manager consult with the political leadership on how to deal with the cellphones declined by Councillors who have private cellphone packages, and report thereon to the next ordinary MPAC meeting.

### **32.2 Deductions of Outstanding Monies from Councillors (Item 4.2, Agenda p. 5)**

**NOTED**

### **32.3 Nelson Mandela Memorial Service – Annual Report p. 626, Note 9 (Item 4.3, Agenda p. 6)**

The Committee requested that a comprehensive report be submitted to the next ordinary MPAC meeting, with detailed information on the over-expenditure of R6,29 million (as against the approved budget of R6 million) on the memorial service for former President Nelson Mandela, identifying the officials who were involved in the over-expenditure and the items purchased with the monies that exceeded the budgeted amount. Items regarded as irregular expenditure in terms of the National Treasury Instructions should also be listed.

The City Manager informed the meeting that the Public Protector was investigating expenditure in respect of the memorial services, but the Committee agreed that it did not require an investigative report, but a report setting out all the facts concerning the over-expenditure for it to consider in the interest of transparency and accountability.

Councillor Harning stated that it had to be taken into account that different cultures attached different values to burial rituals and memorial services, and moreover, that this specific case was about a memorial service for a figure who had been a revered leader and a world icon.

**RESOLVED:**

That the Chief Financial Officer submit a comprehensive report to the next ordinary MPAC meeting, with detailed information on the over-expenditure of R6,29 million (as against the approved budget of R6 million) on the memorial service for former President Nelson Mandela, identifying the officials involved in the over-expenditure and the items purchased with the monies that exceeded the budgeted amount, as well as the component regarded as irregular expenditure bought in contravention of National Treasury instructions.

### **32.4 Wasted Expenditure – Signing of Letter re R90m Contract – Annual Report p. 627, Note 1 (Item 4.4, Agenda p. 6)**

The Committee requested a far more detailed report on this matter and raised several questions about the short, summarised report that was submitted (agenda p. 6), in particular regarding the statement that “according to Legal Services this matter had been closed and no further updated status reports were made available with regard to accountability and/ or recovery for the disclosed expenditure”.

More details were requested as to why Legal Services had closed the matter. Councillor Ntshanyana said that in terms of the Auditor-General’s Report, it was a matter of “consequence management” to establish what had been done to ensure that this situation never occurred again.

Councillor Biddulph stated that the Internal Audit investigation report on the case had never been submitted to MPAC. He asked who, if anyone, had been investigated and held liable, if not for the contract amount, then for the legal fees incurred. MPAC needed to see such reports in order to make recommendations concerning the recovery of monies.

Councillor Bobani supported the call for a detailed report, and pointed out that the contract for the security company currently hired by the Municipality had never been put out to tender.

The Director : Internal Audit proposed, and it was agreed, that Internal Audit submit a report to the next ordinary MPAC meeting on the scenario that unfolded after the aforesaid Internal Audit investigation into the situation around the Metro Security contract was conducted and discussed with the previous City Manager and Legal Services. The Director : Internal Audit added that Legal Services could at the same time provide their input on the matter to MPAC, and the Committee could then take the matter up from there.

The Acting Director : Legal Services (Ms Nobuntu Mpongwana) stated Legal Services would provide its input on the matter in a comprehensive report to MPAC.

#### **RESOLVED:**

That in the matter of the wasteful expenditure incurred in respect of irregularities in dealing with the Metro Security Contract and the resultant legal costs incurred, the Director : Internal Audit and Risk Assurance submit a report to the next ordinary MPAC meeting, describing the scenario that unfolded after Internal Audit had investigated the aforesaid matter and discussed it with the previous City Manager and Legal Services, and that the Acting Director: Legal Services at the same time submit the input by Legal Services on the matter in a comprehensive report to MPAC.

**32.5 Wasted Expenditure – Termination of Contract - Annual Report p. 627, Note 3 (Item 4.5, Agenda p. 6)**

The City Manager reported that MPAC's recommendations regarding the wasteful expenditure incurred in respect of the Mobi Park Contract were submitted to Council in November 2014, but was withdrawn by the Executive Mayor for him to reconsider it in the first instance.

**NOTED**

**32.6 Wasted Expenditure – Overpayment to Service Provider - Annual Report p. 627, Note 4 (Item 4.6, Agenda p. 6)**

The Municipality was billed by a service provider, Shweme Civils, for invoices exceeding the approved tariffs and annual escalation awarded in the tender, so that three years into the tender, an amount of R4,71 million had been overpaid to the contractor.

Councillor Biddulph pointed out that in terms of legislation, the fact that the officials involved had left the service of the institution did not absolve them of responsibility for wasteful expenditure, which left the question: what steps had been taken to recover the money, and who, if anybody, had been held accountable for the wasteful expenditure.

The Director : Internal Audit stated that the matter had been investigated by the Internal Audit and Risk Assurance Sub-directorate which found that officials had known that R4,71 million should have been claimed back from the contractor involved, but failed to do so, and that up to the present, that amount had not been recovered. The Director said that a report would be submitted to MPAC after revisiting the Internal Audit report on the matter to determine if there had been fraudulent misrepresentation, in which case the matter would be subject to criminal investigation.

Councillor Biddulph stated that there was also the issue of the prescription of claims, as it was now seven years after the overpayment was discovered in 2008. The question now was who should have been responsible for recovering the overpaid amount, but made no effort to do so, and what steps should be taken against that person for the dereliction of duty in not having recovered the funds.

The Acting Director : Legal Services stated that there had been an attempt at the time to recover the money from Shweme Civils, but that it was found that the company GV Civils was a shell company that did not have any assets to attach. Legal Services would submit a detailed report on the matter to MPAC.

Councillor Biddulph said that a mechanism had to be found to protect the institution against the abuse of contractors hiding behind shell companies.



The Chairperson stated that the matter would again be considered once the reports thereon by the Director : Internal Audit and Risk Assurance and the Acting Director : Legal Services had been submitted to the next ordinary MPAC meeting.

**RESOLVED:**

- (a) That the Director : Internal Audit and Risk Assurance submit a report to the next ordinary MPAC meeting stating whether or not, based on the investigation that had been conducted by Internal Audit in respect of the contract awarded to Shweme Civils, there was evidence of fraudulent misrepresentation, in which case the matter would be subject to criminal investigation.
- (b) That the Acting Director : Legal Services submit a detailed report to the next ordinary MPAC meeting with details about the attempt that had been made to recover the overpayment of R4,71 million to Shweme Civils, but which failed on finding that the GV Civils company was a shell company that did not have any assets to attach.

**32.7 AFCON – Claim for R3 m Expenses - Annual Report p. 632, Note 111 (Item 4.7, Agenda p. 7)**

The Committee was of the view that the extremely brief summary in the agenda (p. 7) did not provide it with the information required to consider the matter. It was also emphasised that the institution had to reach closure on matters such as this one.

Councillor Captain stated that it had to be clarified which tier of government was to take responsibility for paying the amount of R1,37 million. Was it the national or provincial department of sport, or was it the NMBM? If it was the Municipality, the Executive Director : Sport, Recreation, Arts and Cultural Services (SRAC) should explain why the institution was to pay the amount although there were no supporting documents for the claim, and who was responsible for incurring the expenditure without having supporting documents.

**RESOLVED:**

- (a) That the Chief Financial Officer submit a comprehensive report to the next ordinary MPAC meeting, clarifying the basis of the claim for R2,97 million submitted by the Local Organising Committee of AFCON 2013 to the NMBM for expenses incurred by AFCON which are allegedly for the account of the NMBM.
- (b) That the Chief Financial Officer propose a method for dealing with the claim that an amount of R1,37 million arising from (a) above is allegedly to be paid by the NMBM, although the claim is not backed by supporting documents.

### **33. OUTSTANDING MATTERS (Item 5, Agenda p. 7)**

#### **RESOLVED:**

- (a) That the reports required in respect of Items 5.1, 5.3, 5.4 and 5.5 (agenda p. 7) be submitted to the next ordinary MPAC meeting.
- (b) That the report required in respect of Item 5.2 about Irregular Appointments at Satellite Offices, which could have financial implications, be submitted by the City Manager to one of the remaining two scheduled MPAC meetings on the Annual Report, i.e. on 5 March and 12 March 2015.
- (c) That Item 5.3 be amended to include the statement that the completed and signed business interests of the directors of the MBDA must be submitted to MPAC at its next ordinary meeting.
- (d) That item 5.6 be amended to read as follows: "That the Director : Internal Audit submit an Action Plan to MPAC on how to address the Auditor-General's findings."

(Note by Secretariat: The Director : Internal Audit stated that she had drafted a document in the above regard, and that she would hand it to the Chairperson and discuss it with him.)

### **34. QUESTIONS RAISED ON 2013/14 ANNUAL PERFORMANCE SCORECARD REPORT**

The Committee raised the questions set out hereunder regarding the KPIs reflected in the Scorecard Report on the colour-coded spreadsheets that were circulated in addition to the same report (without colour-coding) in the 2013/14 Annual Report (pp. 261 to 296). (Note: Page numbers used in Minute No. 34 refer to the pages of the colour-coded spreadsheet report.)

The relevant Executive Directors were required to submit written responses to the questions for inclusion in the MPAC agenda for the meeting scheduled for 5 March 2015.

#### **34.1 Integrated and Sustainable Human Settlements**

**34.1.1 Page 1, KPI 1.1.3(b): Land for Social Housing:** The Committee enquired about the reasons why the target was not met, and whether a Memorandum of Understanding had been concluded. The Human Settlements official at the MPAC meeting stated that a meeting had been held with the City Manager and the matter concluded. MPAC asked for details of how it was concluded.

**34.1.2 Page 1, KPI 1.1.6: Land set aside but no houses built: 2 400**

hectares of land was set aside for township establishment, but no houses were built and the KPI was deleted from the 2013/14 Human Settlements' Scorecard. A status report was requested.

**34.1.3 Page 1, KPI 1.1.7:** Households relocated to Greenfield areas - underperformance: Time-frames were requested for the appointment of service providers to transport households to destination sites.

## **34.2 Water**

**34.2.1 Page 2, KPI 1.2.2:** Water connections at new state subsidised houses: Has water meter shortage been resolved? Will new 3-year contract for suppliers of water meters ensure that this problem does not recur?

**34.2.2 Page 2, KPI 1.2.5:** Reduction in water losses: 2013/14 year was disastrous in respect of water losses. The new strategy was applauded and will hopefully go a long way towards solving problems, but monitoring is needed.

## **34.3 Sanitation**

**34.3.1 Page 2, KPI 1.3.1:** % households with access to sanitation: The bucket toilet system does not feature as a separate item. Why does NMBM fail the community on this basic need, e.g. because of lack of funding? A report is required with time-frames for eradicating bucket toilets.

**34.3.2 Page 2, KPI 1.3.2:** New state subsidised houses with sewer connections: Statement was made that NMBM failed to achieve this KPI as well as the previous one (KPI 1.3.1) How far is the process of identifying suppliers to address the problems identified? Only 773 new state subsidised houses out of a target of 2 078 were supplied with sewer connections. Who was failing, and why?

## **34.4 Roads and Transportation**

**34.4.1 Page 3, KPI 1.4.1 and KPI 1.4.2:** Kilometres of gravel roads tarred and number of gravel *cul-de-sacs* tarred: Hardly any progress was made in respect of tarring roads. Details were required on what corrective action will be taken to address this, with time-frames. The question was asked why Council was using the same contractors who have failed to perform on other contracts, and it was stated that this was one of the reasons why SMMEs are protesting. A full report was requested on whether appointments are made in terms of the BEE policy, and what the policy is in respect of SMMEs. It was enquired how far the NMBM was in developing a Framework for the employment of SMMEs.

**34.4.2 Page 3, KPI 1.4.3:** Kilometres of new sidewalks constructed – Woltemade Road: A comment was made under this point about the tarring of Woltemade Road. It was stated that work on the contract started late and the work was not yet completed. A report was requested on the quality of the work done, the time-frame for completion and whether penalties are being paid by the contractor for late delivery.

**34.4.3 Page 3, KPI 1.4.4:** Kilometres of roads resurfaced: A report with reasons for the overpayment of R30 million on this KPI was requested.

## **34.5. Electricity and Energy**

**34.5.1 Page 4, KPI 1.6.3:** % electricity losses in line with NERSA standards: A progress report was requested on what had been achieved since contractor was appointed in January 2014. It was presumed that the strategy presented at the last meeting will solve the problem.

**34.5.2 Page 4, KPI 1.6.6 and KPI 1.6.7:** Number of sports fields and number of post top lights retrofitted with energy-efficient lighting: An explanation was requested for the poor underperformance in respect of both these KPIs.

**34.5.3 Page 5, KPI 1.6.12:** Kilometres of underground cables replaced: With reference to the statement in the report that there were delays in the awarding of contracts, a Councillor made the point that the Committee never again wanted to see a comment that work could not be done because of contracts not being in place. A report on a proposed solution to the challenge of not having contracts in place was requested.

**34.5.4 Page 5, KPI 1.6.13:** Number of relays replaced: It was stated that the Committee did not wish to see a matter such as the restructuring of the Supply Chain Management Committee system being given as the reason for the delay in awarding a contract for the supply of spare relays. A report on the reasons for the non-delivery in respect of the replacement of old protection relays was requested.

## **34.6 Waste Management**

**34.6.1 Page 6, KPI 1.7.2:** Weekly waste collection service: It was stated that Council had undertaken the previous year to implement a weekly refuse collection service to all households within the NMBM area, but did not achieve that target. It was enquired whether Council was committed to make this a reality in the 2014/15 financial year, and a report with time-frames was requested.

**34.6.2 Page 6, KPI 1.7.3:** Number of waste management cooperatives maintained: It was commented that the report indicated underperformance, and it was requested that the challenges that were experienced be clearly set out in a report. It was also enquired whether the anticipated appointment of 34 community-based contractors by the end of August 2014 did indeed take place.

It was stated that the townships in the NMBM area were dirty, and it was asked why there was a delay in appointing the more than 100 cooperative who were trained with Small Enterprise Development Agency (SEDA) funds. A report with a full explanation and time-frames was requested.

### **34.7 Parks and Cemeteries**

**34.7.1 Page 7, KPI 1.11.1:** Number of public open spaces developed: It was enquired if and how the “arrival of cold weather” could have hindered the installation of playground equipment, and it was requested that this point be explained in a report.

### **34.8 Traffic and Licensing**

**34.8.1 Page 7, KPI 1.12.2:** Number of traffic safety initiatives implemented: Regarding the statement that Traffic Contravention System would be fully operational in the 2014/15 financial year, it was requested that it be reported whether the system was now indeed operational, and if not, what was the time-frame for it to be functional again.

**34.8.2 Page 8, KPI 1.12.4:** % traffic fines collected: It was requested that a progress report be provided on the two issues in the statement that (i) other payment options would be explored and (ii) that funded vacancies would be filled.

Regarding the reference to a traffic fine amnesty programme to be implemented during 2014/15 to encourage people to pay their traffic fines, it was enquired whether non-payers would first be encouraged to pay their fines before the amnesty was implemented. A report on this question, and on the criteria used to implement an amnesty, was requested.

### **34.9 Performance Management**

**34.9.1 Page 10, KPI 2.1.4:** Annual performance evaluation of managers: The comment regarding the sudden resignation of the Audit Committee Chairperson and the measures described to solve the problem of completing performance evaluations were considered not good enough.

### **34.10 Human Resource Transformation**

**34.10.1 Page 11, KPI 2.2.7:** % recruitments and appointments made within three-month turnaround period: A more detailed explanation was required for the underperformance on this KPI.

**34.10.2 Page 22, KPI 2.2.8 (Subsections 2.2.8.1; 2.2.8.2; and 2.2.8.3):** Number of persons from employment equity target groups employed in three highest levels of management: It was considered that the statement in the report that the data could not be verified, is unacceptable, and it was stated that more facts should be submitted.

It was pointed out that the targets were lowered, but the achievements in respect thereof remained low. A report to clarify the following issues was requested:

- The breakdown given is insufficient. It had to be reported how many staff are employed by the NMBM, as against the number of funded vacancies.
- Figures in respect of the number of contract workers must be given.
- An explanation was required as to how the Council resolution dated 23 January 2014, referred to in the report, affected targets.

### **34.11 Labour Relations**

**34.11.1 Page 11, KPI 2.3.1:** Number of managers trained to conduct disciplinary and grievance hearings: The following points were made:

- An explanation was required as to whether the Corporate Services Directorate (Human Resources) or the Supply Chain Management Unit was responsible for the fact that the managers were not trained.
- The Chief Financial Officer must take note of the Supply Chain Management's involvement in stopping tenders and the supply of information.
- A report was requested on what progress is being made towards finalising the new Organogram.

### **34.12 Poverty Eradication**

**34.12.1 Page 13, KPI 3.2.4:** Number of tourism businesses trained in tourism and entrepreneurship: It was stated that not enough was being done to reach the public to promote tourism. Ward Councillors should spread the information, and it could also be done at public participation meetings. It was a concern that the Tourism Board workshop in June 2014 was poorly attended. It was proposed that Council's Tourism Strategy possibly needed to be reviewed.

The statement was made that any KPI concerning Poverty Eradication should be achieved at all times, underperformance in that regard was unacceptable.

**34.12.2 Page 13, KPI 3.2.5(a):** Number of SMME incubators maintained through providing financial support – Information Communication Technology: An explanation was required on how the R370 000 paid by the NMBM to the Information Technology Incubator was spent.

**34.12.3 Page 13, KPI 3.2.6:** Number of SMME incubators maintained through providing financial support – Construction: An explanation was required on how the R620 000 paid by the NMBM to the Construction Incubator was spent.

### **34.13 Broad-based Economic Empowerment (BEE)**

**34.13.1 Page 14, KPI 3.3.1:** Tenders awarded to previously disadvantaged individuals: A full explanation is required on why the targets were not met.

### **34.14 Recreation, Arts and Culture**

**34.14.1 Page 15, KPI 3.5.3:** % completion of Mendi Multi-purpose Cultural Centre: An updated report on this project, with time-frames for its completion, was requested.

### **34.15 Budgeting and Financial Accounting**

**34.15.1 Page 16, KPI 4.3.3:** % outstanding service debtors to revenue: It was pointed out that High Energy Users in the NMBM area are paying a percentage of their electricity debt while problems are being addressed. Why is this action not being implemented in respect of Domestic and Business customers, in particular, the Top 10 debtors in these categories? What measures are being taken to improve revenue collection performance? A report in response to these questions is required.

### **34.16 External Relations**

**34.16.1 Page 17, KPI 5.2.5 and 5.2.6:** Investigate establishment of sister city partnership with city in Brazil, Russia or India: The Committee requested a report explaining the reasons for the failure to achieve this target.

### **34.17 Internal Audit and Risk Assurance**

**34.17.1 Page 17, KPI 5.3.1:** Receipt of unqualified Audit Report: It was emphasised that the Action Plan referred to must be monitored monthly; the Committee wants the assurance that this is being done. It was also stated that Internal Audit should be playing a role and must explain why this KPI was not met.

### **34.18 Public Participation**

**34.18.1 Page 18, KPIs 5.5.4 – 5.5.10:** Public Participation in various forms: It was acknowledged that public participation was poor, and that a comprehensive report was required with proposals for improving it. (See also comment captured hereunder as Minute No. 34.21.).<sup>34</sup>

### **34.19 MURP**

**34.19.1 Page 20, KPI 6.1.9:** % completion of Motherwell Thusong Service Centre: The Committee requested an updated report on the status of the project and when the Centre would open.

### **34.20 Military Veterans**

**34.20.1 Page 21, KPI 6.3.1:** Number of additional Military Veterans registered on NMBM database: Concern was expressed at the failure to achieve this target, and a report with a full explanation was requested.

**34.20.2 Page 21, KPI 6.3.3:** Construction of Wall of Remembrance: Shock was expressed at the statement in the report that there had not been a budget for this project, which deserved to have been prioritised. A report providing an explanation was requested.

### **34.21 Comments on Public Participation Meetings**

During the discussion on the Public Participation KPIs the following concerns/comments were raised:

- The choice of Venues for holding meetings needs to be reviewed e.g.-
  - (i) Meetings held at City Hall are poorly attended;



(ii) Meetings at Walmer Town Hall are supposed to cater for a huge cross-section of the community, i.e. those from the township and those from the more affluent area of Walmer. These people have vastly different needs and expectations of what they want to hear about at public meetings. The Constituency Office should ensure that they arrange separate meetings and continue to have the ones for Walmer Township Communities at the school hall in the township as it is too far for the people to walk to Walmer Town Hall. The packaging of information to be disseminated to the different communities at meetings should be carefully planned to be meaningful to the targeted audience.

(iii) Meetings in the Western areas should not be held during working hours or at 17:00 as it does not give working people enough time to get to the venue. Despite several attempts by the Ward Councillor to get this request through to the Constituency Office, she has to date been unsuccessful. The community in this ward would also appreciate a visual slide presentation on budget issues which would make debate on the issue more meaningful.

- Persons employed to do loudhailing in various wards where this is the practice, should know the area thoroughly to enable a proper job to be done.
- Information on successful projects undertaken or completed (success stories) should also be disseminated at these meetings.
- A new Strategy is required for Public Participation meetings, as the existing one is failing.

**NOTED AND RESOLVED:**

That the Office of the Constituency Co-ordinator review the existing Public Participation Strategy with a view to improving its efficiency and taking into account the comments made by MPAC as noted in the preamble above, and submit it to the relevant Standing Committee.

**The meeting terminated at 12:20.**

**COUNCILLOR V J TUTU  
CHAIRPERSON**

**MINUTES OF PROCEEDINGS OF  
THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**(Meeting held on 5 March 2015)**

**PRESENT:** Councillor V J Tutu (Chairperson)

Councillor N R Captain  
Councillor A P Dashwood  
Councillor M E G Harning  
Councillor T Gana  
Councillor J N Mapu  
Councillor H Müller (09:30)  
Councillor T S Noqoli  
Councillor K G Ntshanyana  
Councillor R Odendaal

**ALSO PRESENT:** Councillor M Bobani  
Councillor N Cobo  
Councillor A Mfunda  
Councillor M Mtanga  
Councillor M Steyn  
Councillor B Wright

City Manager  
Chief Financial Officer  
Chief Operating Officer  
Executive Director : Corporate Services  
Executive Director : Electricity and Energy  
Acting Executive Director : Sport, Recreation Arts and Cultural Services  
(Ms B C Williams)  
Acting Executive Director: Motherwell Urban Renewal Programme (MURP) (Mr N Dunjana)  
Acting Executive Director : Public Health  
(Mr T Mokonyane)  
Director : Internal Audit and Risk Assurance (Ms B Chan)  
Deputy Director : MPAC (Mr S Matyolo)  
Acting Executive Director : Infrastructure and Engineering (Mr B Martin)  
Director : MURP (Mr S Mnyaka)  
Assistant Director : Committee Services (Mr J Sigonyela)  
Acting Assistant Director : Legal Services (Mr J M Ganyaza)

Acting Assistant Director : Traffic and Licensing Services  
(Mr G du Toit)  
Financial Officer (Human Settlements) (Ms R Smit)  
Financial Officer : IPTS (Mr M Skade)  
Financial Officer : IPTS (Mr S Mbeki)  
Audit Committee Chairperson (Mr G Billson)  
Senior Manager : Auditor-General's Office (Ms T de Wet)  
Manager : Auditor-General's Office (Mr S Peters)  
Chief Committee Officer (Ms A Craighead)  
Committee Officer (Ms S Joubert)  
Committee Officer (Ms V Heera)

**ABSENT** Councillor X C Bisset  
**WITHOUT LEAVE:** Councillor B N Mafaya

### **APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES**

An application for leave of absence was received from Councillor D Biddulph who was out-of-town on business and it was stated that Councillor H Müller had a doctor's appointment and would arrive at ±9:30.

Apologies were submitted for the absence of the Executive Director : EDTA and to the Executive Director : Infrastructure and Engineering, who was involved in other Council related meetings.

### **NOTED AND RESOLVED:**

That leave of absence from this meeting of the Committee be granted to Councillor D Biddulph.

### **DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)**

There were no disclosures.

### **DISCLOSURE OF INTERESTS BY OFFICIALS**

There were no disclosures.

## **CONFIRMATION OF MINUTES**

It was pointed out that the Chairperson of the Audit Committee, Mr G Billson, attended the meeting held on 17 February 2015 and that his name should thus be reflected in the list of persons who were present.

### **RESOLVED:**

That, subject to the correction in respect of the minutes dated 17 February 2015 as set out in the preamble above, the Minutes of Proceedings of the Municipal Public Accounts Committee at its meetings held on 17 February 2015 and 24 February 2015, as circulated, be hereby confirmed.

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## **CAUCUS**

Before commencing with the agenda, the DA requested a 15 minute caucus as many of its members had not received the agenda timeously. This was granted.

However, before the meeting could reconvene after the caucus, a group of ±150 SMME Contractors stormed into the Council Chamber demanding to express their grievances about not receiving contracts with the Municipality.

The meeting accordingly disbanded in disarray and none of the items on the agenda were considered. The agenda was accordingly carried over to the next scheduled meeting, namely 12 March 2015.

The meeting terminated at 09:45.

## **CHAIRPERSON**

**MINUTES OF PROCEEDINGS OF  
THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**(Meeting held on 12 March 2015 – including agenda dated 05 March  
2015)**

**PRESENT:** Councillor V J Tutu (Chairperson)

Councillor X C Bisset  
Councillor N R Captain  
Councillor A P Dashwood  
Councillor M E G Harning  
Councillor J N Mapu  
Councillor H Müller  
Councillor T S Noqoli  
Councillor R Odendaal

**ALSO PRESENT:** Councillor M Bobani  
Councillor B Cekisani  
Councillor M Steyn

Chief Operating Officer  
Chief Financial Officer  
Executive Director : Corporate Services  
Acting Executive Director : Electricity and Energy  
(Mr P Neilson)  
Executive Director : Sport, Recreation Arts and Cultural Services  
Executive Director : Safety and Security  
Acting Executive Director: Motherwell Urban Renewal Programme  
(MURP) (Mr N Dunjana)  
Acting Executive Director : Public Health  
(Mr T Mokonyane)  
Acting Director : Internal Audit and Risk Assurance  
(Mr N Bisson)  
Deputy Director : MPAC (Mr S Matyolo)  
Acting Executive Director : Infrastructure and Engineering  
(Mr B Hutton)  
Director : Infrastructure and Engineering (Mr T Arthur)  
Director : Infrastructure and Engineering (Mr S Agherdien)  
Acting Director: Legal Services (Ms N Mpongwana)  
Assistant Director : Monitoring and Evaluation (Mr M Sipuka)

Director: Sector Development (EDTA) (Ms L Mxenge)  
Assistant Director : Committee Services (Ms J Sigonyela)  
Acting Assistant Director : Legal Services (Mr J M Ganyaza)  
Acting Assistant Director : Traffic and Licensing Services  
(Mr G du Toit)  
Financial Officer : IPTS (Mr M Skade)  
Acting Project Manager : IPTS (Mr L Ntshebe)  
Chief Committee Officer (Ms A Craighead)  
Committee Officer (Ms S Joubert)  
Committee Officer (Ms V Heera)

**ABSENT  
WITHOUT LEAVE:**

Councillor T Gana

**APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE  
CODE OF CONDUCT / APOLOGIES**

An application for leave of absence was received from Councillor D Biddulph who was out-of-town on business and it was stated that Councillors B N Mafaya and K G Ntshanyana were sick.

Apologies were submitted for the absence of the City Manager who was attending a meeting with the Executive Mayor and the Minister: Environmental Affairs. The Executive Director : Infrastructure and Engineering, was on leave and Mr B Hutton was attending on his behalf. Mr P Neilson was representing the Electricity and Energy Directorate. Ms B Chan was represented by Mr N Bisson and Mr I Noqele was representing Public Health Directorate.

**NOTED AND RESOLVED:**

That leave of absence from this meeting of the Committee be granted to Councillors D Biddulph, B N Mafaya and K G Ntshanyana.

**DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5  
OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF  
2000)**

There were no disclosures.

**DISCLOSURE OF INTERESTS BY OFFICIALS**

There were no disclosures.

AGENDA 5 MARCH 2015:

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

**35. 2013/14 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 1, Agenda 5 March 2015, p. 36)**

**NOTED**

**36. QUESTIONS RAISED ON PERFORMANCE SCORECARD (Item 2, Agenda 5 March 2015, p. 36)**

**36.1 HUMAN SETTLEMENTS (Agenda 5 March 2015, p. 36)**

**36.1.1 Land for Social Housing (KPI No. 1.1.3(b), Agenda 5 March 2015, p. 36)**

(The report in response to this item was included under the first part of Item 1 in the MPAC agenda dated 12 March 2015.)

**36.1.2 Land set aside for Township Development (KPI No. 1.1.6, Agenda 5 March 2015, p. 36)**

**NOTED**

**36.1.3 Number of households relocated to Greenfield areas (KPI No. 1.1.7, Agenda 5 March 2015, p. 37)**

(The report in response to this item was included under the second part of Item 1 in the MPAC agenda dated 12 March 2015.)

**36.2 INFRASTRUCTURE AND ENGINEERING (Agenda 5 March 2015, p. 37)**

**36.2.1 Water connections at new houses (KPI No. 1.2.2, Agenda 5 March 2015, p. 37)**

**NOTED**

**36.2.2. Water losses (KPI No. 1.2.5, Agenda 5 March 2015, p. 37)**

**NOTED**

**36.2.3 Access to basic sanitation (KPI No. 1.3.1, Agenda 5 March 2015, p. 37)**

**NOTED**

**36.2.4 Sewer connections at houses (KPI No. 1.3.2, Agenda 5 March 2015, p. 37)**

**NOTED**

**36.2.5 Gravel roads tarred (KPI No. 1.4.1, Agenda 5 March 2015, p. 38)**

**NOTED**

**36.2.6 & 7 Tarring of roads and disruptions by SMMEs (KPI Nos. 1.4.1 & 1.4.2, Agenda 5 March 2015, p. 38)**

**NOTED**

**36.2.8 Query re Woltemade Street (KPI No. 1.4.3, Agenda 5 March 2015, p. 38)**

**NOTED**

**36.2.9 Overpayment for resurfacing of roads (KPI No. 1.4.4, Agenda 5 March 2015, p. 38)**

**NOTED**

**36.3 ELECTRICITY AND ENERGY (Agenda 5 March 2015, p. 39)**

**36.3.1 Electricity losses (KPI No. 1.6.3, Agenda 5 March 2015, p. 39)**

(The **corrected** report in response to this item was included under Item 2 in the MPAC agenda dated 12 March 2015 – See Min. No. 39.1.1/2015)



**36.3.2 & 3 Lighting at sports fields and post top lights (KPI Nos. 1.6.6 & 1.6.7, Agenda 5 March 2015, p. 39)**

(The **corrected** report in response to this item was included under Item 2 in the MPAC agenda dated 12 March 2015 – See Min. No. 39.1.2 & 39.1.3/2015)

**36.3.4 Cables replaced – delay in awarding contracts (KPI No. 1.6.12, Agenda 5 March 2015, p. 40)**

(The **corrected** report in response to this item was included under Item 2 in the MPAC agenda dated 12 March 2015 – See Min. No. 39.1.4/2015)

**36.3.5 Contract for spare relays delayed (KPI No. 1.6.13, Agenda 5 March 2015, p. 40)**

(The **corrected** report in response to this item was included under Item 2 in the MPAC agenda dated 12 March 2015 – See Min. No. 39.1.5/2015)

**36.4 PUBLIC HEALTH (Agenda 5 March 2015, p. 40)**

**36.4.1 Weekly waste collection to households (KPI No. 1.7.2, Agenda 5 March 2015, p. 40)**

**NOTED**

**36.4.2 Waste management co-operatives maintained (KPI No. 1.7.3, Agenda 5 March 2015, p. 41)**

**NOTED**

**36.4.3 Public Open Spaces developed (KPI No. 1.11.1, Agenda 5 March 2015, p. 42)**

**NOTED**

**36.5 SAFETY AND SECURITY (Agenda 5 March 2015, p. 43)**

**36.5.1 Number of traffic safety initiatives (KPI No. 1.12.2, Agenda 5 March 2015, p. 43)**

**NOTED**

**36.5.2 Percentage of traffic fines collected (KPI No. 1.12.4, Agenda 5 March 2015, p. 43)**

**NOTED**

**36.6 OFFICE OF THE CHIEF OPERATING OFFICER (Agenda 5 March 2015, p. 43)**

**36.6.1 Audit Committee and Annual Performance Evaluation (KPI No. 2.1.4, Agenda 5 March 2015, p. 43)**

**NOTED**

**36.7 CORPORATE SERVICES (Agenda 5 March 2015, p. 44)**

**36.7.1 Recruitment turnaround time (KPI No. 2.2.7, Agenda 5 March 2015, p. 44)**

**NOTED**

**36.7.2 Employment Equity target groups (KPI No. 2.2.8, Agenda 5 March 2015, p. 44)**

**NOTED**

**36.7.3 Managers trained to conduct hearings (KPI No. 2.3.1, Agenda 5 March 2015, p. 44)**

**NOTED**

**36.8 ECONOMIC DEVELOPMENT, TOURISM AND AGRICULTURE (Agenda 5 March 2015, p. 44)**

**36.8.1 Tourism businesses trained (KPI No. 3.2.4, Agenda 5 March 2015, p. 44)**

**NOTED**

**36.8.2 SMMEs supported re ICT programme (KPI No. 3.2.5, Agenda 5 March 2015, p. 45)**

**NOTED**

**36.8.3 Number of SMME incubators financially supported (KPI No. 3.2.6, Agenda 5 March 2015, p. 46)**

**NOTED**

**36.9 BUDGET AND TREASURY (Agenda 5 March 2015, p. 47)**

**36.9.1 BEE targets and tenders awarded (KPI No. 3.3.1, Agenda 5 March 2015, p. 47)**

**NOTED**

**36.10 SPORT, RECREATION, ARTS AND CULTURE (Agenda 5 March 2015, p. 48)**

**36.10.1 Completion of Mendi Cultural Centre (KPI No. 3.5.3, Agenda 5 March 2015, p. 48)**

(The report in response to this item was included under Item 3 in the MPAC agenda dated 12 March 2015 – See Min. No. 40/2015)

**36.11 BUDGET AND TREASURY (Agenda 5 March 2015, p. 48)**

**36.11.1 Outstanding service debtors (KPI No. 4.3.3, Agenda 5 March 2015, p. 48)**

**NOTED**

**36.12 OFFICE OF THE CHIEF OPERATING OFFICER (Agenda 5 March 2015, p. 48)**

**36.12.1 & 2 Sister City Partnership (KPI Nos. 5.2.5 & 5.2.6, Agenda 5 March 2015, p. 48)**

**NOTED**

**36.13 BUDGET AND TREASURY (Agenda 5 March 2015, p. 49)**

**36.13.1 Audit report received in 2012/13 (KPI No. 5.3.1, Agenda 5 March 2015, p. 49)**

**NOTED**

**36.14 CORPORATE SERVICES (Agenda 5 March 2015, p. 49)**

**36.14.1 Visitors to NMBM website (KPI No. 5.4.1, Agenda 5 March 2015, p. 49)**

**NOTED**

**36.15 SPECIAL PROGRAMMES DIRECTORATE / MURP (Agenda 5 March 2015, p. 49)**

**36.15.1 Completion of Thusong Service Centre (KPI No. 6.1.9, Agenda 5 March 2015, p. 49)**

**NOTED**

**36.16 GENERAL (Agenda 5 March 2015, p. 51)**

**36.16.1 Military Veterans (KPI No. 6.3.1, Agenda 5 March 2015, p. 51)**

**NOTED**

**36.16.2 Wall of Remembrance (KPI No. 6.3.2, Agenda 5 March 2015, p. 51)**

**NOTED**

**37. FOLLOW-UP REPORTS REQUESTED DURING OVERSIGHT PROCESS – INFRASTRUCTURE AND ENGINEERING DIRECTORATE (Item 3, Agenda 5 March 2015, p. 51)**

**37.1 Court cases involving Swartkops Sea Salt (Item 3.1, Agenda 5 March 2015, p. 52)**

**NOTED**

**37.2 Contingent Liabilities - Cherry Industrial (Item 3.2, Agenda 5 March 2015, p. 52)**

**NOTED**

**37.3 Contingent Liabilities: JEF Engineering (Item 3.3, Agenda 5 March 2015, p. 53)**

**NOTED**

**37.4 Revised Water Leaks Repairs Strategy (Item 3.4 Agenda 5 March 2015, p. 53)**

**NOTED**

AGENDA 12 MARCH 2015:

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

**38. QUESTIONS RAISED ON PERFORMANCE SCORECARD – RESPONSE FROM EXECUTIVE DIRECTOR : HUMAN SETTLEMENTS (Item 1, Agenda 12 March 2015, p. 4)**

**38.1 Land for Social Housing (KPI No. 1.1.3(b), Agenda 12 March 2015, p. 4)**

**NOTED**

**38.2 Land set aside for Township Development (KPI No. 1.1.6, Agenda 12 March 2015, p. 5)**

**NOTED**

**39. RESPONSE FROM EXECUTIVE DIRECTOR : ELECTRICITY AND ENERGY RE PERFORMANCE SCORECARD (Item 2, Agenda 12 March 2015, p. 5)**

**39.1 ELECTRICITY AND ENERGY (Agenda 12 March 2015, p. 5)**

**39.1.1 Electricity losses (KPI No. 1.6.3 - Agenda 12 March 2015, p.5)**

**NOTED**

**39.1.2 & 39.1.3 Lighting at sports fields and post top lights (KPIs Nos. 1.6.6 and 1.6.7 – Agenda 12 March 2015, p. 5)**

**NOTED**

**39.1.4 Cables replaced – delay in awarding of contracts (KPI No. 1.6.12 – Agenda 12 March 2015, p. 5)**

**NOTED**

**39.1.5 Contract for spare relays delayed (KPI No. 1.6.13, Agenda 12 March 2015, p.6)**

**NOTED**

**40. FINALISATION OF THE NEW ORGANOGRAM (Item 3, Agenda 12 March 2015, p. 6)**

**NOTED**

**41. PROGRESS REPORT ON THE CONSTRUCTION OF MENDI MULTI-PURPOSE CULTURAL CENTRE (Item 4, Agenda 12 March 2015, p. 6)**

**NOTED**

**42. IRREGULAR APPOINTMENTS AT SATELLITE OFFICES (Item 5, Agenda 12 March 2015, p. 9)**

**NOTED**

**43. ADDITIONAL ITEM – 2013/14 ANNUAL REPORT**

At the meeting on 12 March 2014 it was agreed that members should raise issues which they considered had not been adequately addressed. The Committee resolved/recommended as follows in respect of matters arising from the 2013/14 Annual Report:

#### **43.1 Total Outstanding Service Debtors – Need for Panel of Attorneys (Annual Report p. 47)**

Councillor Odendaal stated that the matter of the outstanding service debtors had become a critical issue. He acknowledged the steps being taken by the Chief Financial Officer to enhance revenue collection, but pointed out that the fact that the Municipality currently did not have a contract in place with a panel of attorneys was a serious stumbling-block, as attorneys were required to deal with debt collection as a last resort.

#### **RESOLVED:**

That MPAC's resolution in Min. No. 16.3/2015 dated 3 February 2015 be rescinded and replaced by the following:

That in order to improve the financial sustainability of the Municipality, the institution ensure that the contract for the appointment of a panel of attorneys to assist in dealing with outstanding service debt collection is awarded as soon as possible, and before the end of the 2014/15 financial year.

**(Note by Secretariat:** This resolution supersedes the Committee's resolution taken on 3 February 2015 that a contract should be awarded "not later than within the first three months of the 2015/16 financial year – Min. No. 16.3/2015 – hence the rescission of the aforementioned resolution).

#### **43.2 Organisational Structure of NMBM (Annual Report p. 59)**

The issue of the new Organogram was raised by Councillor Captain. The Executive Director : Corporate Services explained the process to be followed in finalising the Organogram, as set out in Item 3 of the MPAC agenda dated 12 March 2015.

#### **RESOLVED TO RECOMMEND:**

That the new Organisational Structure of the NMBM, as set out in the new Organogram, be finalised by Council by not later than 30 June 2015.

#### **43.3 Intergovernmental Relations (Annual Report p. 60)**

It was agreed that the Intergovernmental Relations Framework Committees had to be strengthened in order to function optimally and have a positive impact. It was stated that there had to be political intervention to gain a commitment from both the Provincial and National Government to make these structures more effective. It was pointed out, for example, that the Municipality did not seem to resolve the issue of the monies due to it by Province in terms of the Housing Revolving Fund, and it was emphasised that that was but one of numerous matters which the intergovernmental structures were supposed to facilitate, but failed in doing.

## **RESOLVED TO RECOMMEND:**

That the relevant political leadership be requested to intervene in order to gain a commitment from both the Provincial and National Government to assist in making the Intergovernmental Relations Framework structures more effective in facilitating intergovernmental issues.

### **43.4 Public Meetings (Annual Report, p. 65)**

Further to an earlier discussion at the MPAC meeting held on 24 February 2015, where it was resolved that the existing Public Participation Strategy had to be reviewed in order to improve its efficiency (Min. No. 34.21/2015), the following additional points were made:

- Public meetings were necessary to give people a say in how they were governed. Practical details about the way in which meetings were arranged had to be reviewed in order to accommodate the public better. (Some details in this regard are set out in Min. No. 34.21/2015 dated 24 February 2015.)
- Ward Councillors should hold regular public meetings in their wards.
- Communication between the Municipality and members of small, medium and micro enterprises (SMMEs) can be improved by inviting SMMEs as a sector to public meetings, where the relevant Portfolio Chairpersons and Executive Directors should be present to discuss matters and provide information affecting the work of SMMEs.
- It should be borne in mind that the public meetings arranged by the Municipality for the public amounts to “induced public participation”, meaning that it is largely the Municipality wishing to communicate with the people. Attendance is poor when people do not find the material communicated to them relevant or critical to their lives, or when their expectations are not met. The Tshwane Metropolitan Municipality has overcome this challenge by having established a Petition Committee, where complaints, proposals, grievances, etc., are submitted by the public to the Municipality via the Petition Committee.

## **RESOLVED TO RECOMMEND:**

That, in addition to the proposals contained in Min. No. 34.21/2015, the following actions be included in the review of the Public Participation Policy:

- (i) That Ward Councillors hold regular public meetings in their wards.



- (ii) That public meetings be used to bridge the gap in communication between the Municipality and members of local small, medium and micro enterprises (SMMEs) by inviting SMMEs as a sector to public meetings, where relevant Portfolio Chairpersons and Executive Directors can discuss issues with them and provide them with relevant information.
- (iii) That in order to create a forum where the Municipality listens to the public in the first place, the institution consider establishing a Committee along the lines of the Petition Committee referred to in the preamble above, for the sole purpose of attending to input made by the people.

#### **43.5 Ward Committees (Annual Report, p. 66)**

##### **RESOLVED TO RECOMMEND:**

That the functioning of Ward Committees be strengthened by the following actions:

- (i) filling existing vacancies;
- (ii) developing clearly defined objectives and programmes;
- (iii) having regular meetings; and
- (iv) being resourced with proper basic office equipment.

#### **43.6 Anti-Fraud and Anti-Corruption Strategy (Annual Report, p. 69)**

##### **RSOLVED TO RECOMMEND:**

That Council's Anti-Fraud and Anti-Corruption Strategy be supported by organising an on-going campaign driven by both Councillors and senior management to fight fraudulent and corrupt activities in the institution.

#### **43.7 By-Laws (Annual Report, p. 72)**

##### **RESOLVED TO RECOMMEND:**

That in view of the lack of enforcement of By-Laws in the institution, and in the absence of a municipal police force, a mechanism be developed for proper by-law enforcement. (See also Min. No. 23.1/2015 re promulgation of By-laws.)

**(Note by Secretariat:** It was stated that the details of how this recommendation was to be implemented would be thrashed out at MPAC's Quarterly Report-back meetings.)

### **43.8 Pollution Control (Annual Report, p. 180)**

Councillor Dashwood referred to the objective of the Municipality, as stated on p. 180, to ensure the “effective waste water treatment and safe disposal of sewage and other waterborne waste” and stated that during a recent inspection by the Zwartkops Conservancy of the Swartkops residential area, Motherwell and environs that impact on the Swartkops River, numerous residents complained that their toilet buckets had not been collected to be emptied for the past three weeks. Councillor Dashwood stated that there was a “desperate need for a commitment to be made to carry out weekly collections, as agreed by Council in 2014”.

#### **RESOLVED TO RECOMMEND:**

That Council commit itself to a date from which to provide all communities still using the bucket toilet system with a weekly service for the collection and emptying of buckets.

(Note by Secretariat: MPAC might want to include a time-frame here)

### **43.9 Government Grants and Subsidies (Annual Report, p. 241)**

#### **RESOLVED:**

That all monies outstanding by the Eastern Cape Provincial Government to Council be identified by the Chief Financial Officer and reported to the next ordinary MPAC meeting in order for the Committee to address this issue and decide upon an approach going forward.

### **43.10. Water Provision (Annual Report, p. 241)**

#### **RESOLVED:**

- (a) That Council identify the completion of the Nooitgedacht Low-level Scheme as a vital priority to ensure a sustainable water supply to the NMBM area.
- (b) That in sourcing funding for the construction of the Nooitgedacht Low-level Scheme, Council investigate the establishment of Public Private Partnerships. (See also Min. No. 43.20 below.)
- (c) That water tariffs be made cost-reflective, which will go hand in hand with the reduction in non-revenue water losses.
- (d) That additional funding be sourced to prioritise and expedite the eradication of the bucket toilet system.

#### **43.11 Maintenance of Electricity Infrastructure (Annual Report, p. 96)**

It was emphasised that failure to deal timeously with the need for maintenance of electrical infrastructure would have grave consequences in future.

#### **RESOLVED:**

That Council make sufficient budgetary provision on its 2015/16 Budgets to refurbish critical electricity infrastructure to address the big maintenance backlog in that regard.

#### **43.12 Pilot Bus Service – Integrated Public Transport System (IPTS) (Annual Report, p. 129)**

#### **RESOLVED:**

That a turnaround strategy be developed by the Executive Management Committee for submission to the Infrastructure and Engineering Committee in the first instance, in respect of the management of the Integrated Public Transport System,

**(Note by Secretariat:** It was proposed that MPAC assist in this regard by discussing this at its workshop and special meetings about the IPTS Project and making input into the above process.)

#### **43.13 Arts, Culture and Heritage (Annual Report, p. 159)**

#### **RESOLVED:**

That Executive Director: Sports, Recreation, Arts and Culture take cognizance of MPACs proposal that heritage features in the NMBM area be used as the focus for tourism-related events organised by the Municipality, thus linking heritage matters with local economic development.

#### **43.14 Law Enforcement Services**

#### **RESOLVED:**

That the Executive Directors of Corporate Services and of Safety and Security find ways and means of returning the Law Enforcement Officers (LEOs) to their workplaces, to enable the contract with the private companies currently being hired for that purpose, to be terminated.

**43.15 Development of Scarce Skills of suitable employees within NMBM (Annual Report, p. 303)**

**RESOLVED:**

That the Executive Director: Corporate Services draft a strategy proposing ways and means of developing scarce skills which are available from staff currently employed within the NMBM.

**43.16 Rental of Council facilities and equipment (Annual Report, p. 316)**

Councillor Dashwood emphasised that Council's strategy in respect of the rental of its facilities and equipment needed to be upgraded and its property portfolio finalised.

**RESOLVED:**

That the Executive Directors of Corporate Services and Human Settlements, in consultation with the Chief Financial Officer, finalise and submit the updated Strategy on the Rental of Council Facilities to the relevant Standing Committees by no later than 30 June 2015.

**43.17 EU Funding (Annual Report, p. 318)**

**RESOLVED:**

That the spending on grant funding received from the European Union be closely monitored to enable the funds to be fully spent within the deadlines set by the donor, to ensure that Council would qualify for funds in future years.

**43.18 Public Private Partnerships (Annual Report, p. 385)**

It was pointed out that the Johannesburg and the eThekweni Metropolitan Municipalities had a number of very successful public private partnerships, and it was described as very concerning that the NMBM had none.

**RESOLVED TO RECOMMEND:**

That it be registered as one of MPAC's concerns that the NMBM had no new public private partnerships in the year under review, and that the Chief Operating Officer investigate why not, and submit proposals as to how the NMBM can embark on establishing successful public private partnerships on key projects.

#### **43.19 Expanded Public Works Programme (EPWP) (Annual Report, p. 317)**

Councillor Captain stated that one of the reasons why the EPWP budget had not been fully spent, was a lack of direction, and uncertainty as to which Directorate it was accountable. It was agreed that the programme required political director and a clear management system.

#### **RESOLVED TO RECOMMEND:**

That the Council take a decision to determine to which Directorate the Expanded Public Works Programme should report and be accountable, in order to enhance the effectiveness of the Programme.

#### **43.20 Nooitgedacht Low-level Scheme Funding (Annual Report, p. 78)**

Councillor Harning stated that it was imperative that MPAC highlight the fact that the Municipality has to fund the Nooitgedacht Low-level Scheme from its own sources, or in combination with other parties. This presented the Municipality with an opportunity to consider the establishment of a public private partnership to fund this essential project.

#### **RESOLVED TO RECOMMEND:**

That the Council pursue the fact that National Treasury reneged on its commitment to assist the Council with funds to complete the Nooitgedacht Low-level Scheme, and consider the establishment of public private partnerships as part of its strategy to secure funding for the completion of this project.

#### **43.20 Completion of Fishwater Flats Project – Recycled water for Coega (Annual Report, p. 78)**

#### **RESOLVED:**

That it be noted that MPAC regard it as a vital necessity that the Fishwater Flats project be brought to conclusion, so that recycled water from the plant can be supplied to the Coega Industrial Development Zone (IDZ) to meet requirements of the huge industrial developments being planned in that IDZ.

The meeting terminated at 15:00.

**COUNCILLOR V J TUTU  
C H A I R P E R S O N**

**MINUTES OF PROCEEDINGS OF  
THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**(Meeting held on 16 March 2015)**

**PRESENT:** Councillor V J Tutu (Chairperson)

Councillor X C Bisset  
Councillor N R Captain  
Councillor A P Dashwood  
Councillor M E G Harning  
Councillor T S Noqoli  
Councillor K G Ntshanyana (09:35)  
Councillor R Odendaal

**ALSO PRESENT:** Councillor M Bobani  
Councillor B Cekisani  
Councillor M Steyn

City Manager  
Chief Operating Officer  
Chief Financial Officer  
Executive Director : Infrastructure and Engineering  
Executive Director : Electricity and Energy  
Executive Director : Safety and Security  
Executive Director : Sport, Recreation, Arts and Culture  
Acting Executive Director : Public Health  
(Mr T Mokonenyane)  
Acting Executive Director: Special Programmes  
(Mr N Dunjana)  
Senior Director : Water and Sanitation (Mr B J Martin)  
Director : Sector Development (EDTA) (Ms L Mxenge)  
Director : Internal Audit and Risk Assurance (Ms B Chan)  
Deputy Director : MPAC Office (Mr S M Matyolo)  
Director : Monitoring and Evaluation (Mr S Ndabeni)  
Acting Director: Legal Services (Ms N Mpongwana)  
Acting Director : Facilities Management (Corporate Services)  
(Mr P Vassen)  
Assistant Director : Monitoring and Evaluation (Mr M Sipuka)  
Acting Assistant Director : Legal Services (Mr J M Ganyaza)  
Support Services Officer (Public Health) (Ms U Smith)  
Assistant Manager : Office of the Auditor-General  
(Mr J Roman)  
Assistant Manager : Office of the Auditor-General  
(Ms B Qwemeshe)

Chief Committee Officer (Ms A Craighead)  
Committee Officer (Ms S Joubert)  
Committee Officer (Ms V Heera)

**ABSENT**

**WITHOUT LEAVE:** Councillor T Gana  
Councillor J N Mapu

**APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES**

It was reported that Councillors H Müller, B N Mafaya and D Biddulph had submitted applications for leave of absence to the Speaker. The meeting was also advised that Councillor K G Ntshanyana would join the meeting later, as he had to take a family member to hospital.

Apologies were received on behalf of the Executive Director : Corporate Services; the Executive Director : SRAC, and the Executive Director: EDTA, who had to attend to other engagements. The Executive Director : SRAC joined the meeting later.

**NOTED AND RESOLVED TO RECOMMEND:**

That leave of absence from this meeting of the Committee be granted to Councillors D Biddulph, B N Mafaya and H Müller.

**DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)**

There were no disclosures.

**DISCLOSURE OF INTERESTS BY OFFICIALS**

There were no disclosures.

**OPENING STATEMENTS**

The meeting observed a moment of silence as a token of respect for the late Minister of Public Service and Administration, Mr Collins Chabane, who was killed in a road accident on Sunday, 15 March 2015. Various Councillors paid tribute to Mr Chabane, praising him as a gifted and honest servant of the people, and describing his death as a loss to South Africa.

## NOTED

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

### 44. DRAFTING OF 2013/14 OVERSIGHT REPORT (Item 1, Agenda p. 3)

The Committee commenced its work by looking at the recommendations contained in the 2012/13 Oversight Report, and picking out those that were still applicable for inclusion in the 2013/14 Oversight Report, but had not yet been articulated during this year's round of MPAC meetings on the Annual Report and the Auditor-General's Report.

Regarding the "Foreword by the Chairperson" it was stated that nothing has changed and that a stronger statement should be made here.

The following points were discussed on the basis of the recommendations made in the 2012/13 Annual Report:

#### 44.1 Page 18, para. 3.4.1 – Importance of quarterly reports submitted to MPAC

It was stated that MPAC's commitment to working towards an unqualified audit would mean nothing if it did not receive quarterly reports on progress made with the implementation of its recommendations. The quarterly reports would enable the Committee to see whether actions were progressing correctly, and also to foresee and rectify possible problem situations. It was therefore agreed that the recommendation in para. 3.4.1 be again included as a recommendation in the new Oversight Report, but this time with greater emphasis to indicate that the submission of such reports is non-negotiable.

It was accordingly **RESOLVED** to include and amend the previous recommendation as follows:

The Municipal Public Accounts Committee **recommends** that the City Manager submits quarterly reports on the progress made with the implementation of the Oversight Report recommendations to the Municipal Public Accounts Committee, **as the Committee regards such reports as an essential tool in working towards an unqualified audit opinion.**

#### 44.2 Page 18 & 19, para. 3.4.2 (b) and (c) – Irregular, fruitless and wasteful expenditure



It was **RESOLVED** that the above-mentioned two recommendations be repeated as is in 2013/14 Oversight Report:

- (b) The Municipal Public Accounts Committee recommends that, due to the fact that there are currently very few or no consequences for officials who incur irregular, fruitless and wasteful expenditure, and as a measure to curb same, Council adopt the stance that some form of action be taken against officials involved in such action, unless it can be proved that such expenditure was incurred because of circumstances beyond the control of the person(s) involved.
- (c) The Municipal Public Accounts Committee recommends that the City Manager and the Director: Internal Audit and Risk Assurance submit quarterly reports on the progress made with investigations of alleged fraud and corruption cases within the institution for possible intervention by the Committee, if necessary.

#### **44.3 Page 19, para. 3.4.3 – Deviations**

It was pointed out that no Action Plan had yet been received regarding measures to reduce the number of deviations, as per MPAC's recommendation in the 2012/13 Oversight Report. However, it was also pointed out that attempts to reduce deviations had repeatedly caused situations where the Municipality was unable to employ service providers. It was agreed that the existing recommendation be repeated, but that a statement be added that deviations were valid and necessary in certain cases.

#### **RESOLVED TO RECOMMEND:**

That the City Manager draws up an Action Plan of measures that can be put in place to reduce the unacceptable number of deviations, which the Committee deems to stem from a lack of proper planning, **bearing in mind, however, that deviations must be sanctioned under critical circumstances.**

#### **44.4 Page 19, para. 3.4.4.3 (a) to (g) – Vacancies**

It was acknowledged that progress had been made in respect of the filling of critical vacancies since the time of the 2012/13 Oversight Report, but it was also pointed out that some vacancies still remained.

It was therefore agreed that recommendations (a) to (g) be retained, with some slight amendments as set out below:

#### **RESOLVED TO RECOMMEND:**

- (h) That the City Manager ensures that the remaining vacant Executive Directors' positions, **namely the positions of Executive Director : Public Health and Executive Director : Special Programmes**, be filled by not later than 30 June 2015.
- (i) That, **in addition to the appointments made since the 2012/13 financial year**, the City Manager ensures the filling of the remaining critical funded vacancies in the Supply Chain Management Sub-directorate by not later than 30 June 2015.
- (j) That, **in addition to the appointments made since the 2012/13 financial year**, the City Manager ensures that urgent attention be given to the speedy filling of funded vacancies in the Revenue-generating directorates of the Municipality, such as *Safety and Security* and *Budget and Treasury*.
- (k) That all vacancies in the Internal Audit and Risk Assurance Sub-directorate be filled as soon as possible with suitably qualified people, to reinforce the Sub-directorate and enable it to function optimally.
- (l) That all vacancies in the *Risk Management* Sub-directorate be filled as soon as possible with suitably qualified people, to reinforce the Sub-directorate and enable it to function optimally.
- (m) That the **seriousness of this matter be highlighted** and that the vacancy in the position of Director : Legal Services be filled by the appointment, **by not later than 30 June 2015**, of a legal practitioner with several years' experience of working in the legal fraternity.
- (n) That critical artisan funded vacancies (plumbers) in the Infrastructure and Engineering Directorate be filled, employing previously trained plumbers to address persistent water losses experienced in Nelson Mandela Bay, **while also acknowledging the decisive steps taken in this regard by the Executive Director : Infrastructure and Engineering**.

(**Note:** An objection was made at the meeting on 16 March 2015 to the lack of definite time-frames in recommendations (c), (d), (e) and (f) above in respect of the filling of vacancies, but no time-frames in that regard were subsequently set.)

#### **44.5 Page 21, para. 3.4.4.4 - Succession planning**

It was enquired whether or not Succession Planning had taken place, and if not yet, that dates and time-frames for implementation be provided. No further input was made at the meeting.

**NOTED**

#### **44.6 Page 22, para. 3.4.5.1(b) – Waste Management – Funding for weekly collections**

It was stated that the identification of funding for weekly refuse collection services throughout Nelson Mandela Bay had still not been finalised. It was agreed that the recommendation be resubmitted in the 2013/14 Oversight Report:

#### **RESOLVED TO RECOMMEND:**

That the identification of more funding on the 2014/15 Budgets be prioritised to ensure the completion of the roll-out of weekly refuse collection services throughout Nelson Mandela Bay.

#### **44.7 Page 22, para. 3.4.5.3 – Integrated Public Transport System (IPTS)**

It was pointed out that this project, the biggest currently being undertaken by the Municipality, was experiencing many challenges. The Committee agreed that the recommendation in paragraph 3.4.5.3 of the 2012/13 Oversight Report be resubmitted. (It was acknowledged that the IPTS quarterly reports referred to in paragraph 3.4.5.3. had been submitted to MPAC in November 2014 and in January 2015.)

It was stated that MPAC was awaiting final plans for its envisaged strategic workshop on the IPTS, and the Executive Director : Infrastructure and Engineering told the meeting that the IPTS Strategic Workshop would be held on **15 May 2015**.

#### **RESOLVED TO RECOMMEND:**

That the City Manager and the Executive Director : Infrastructure and Engineering submit quarterly reports on the progress made with the utilisation of the IPTS Conditional Grant Funding to the Municipal Public Accounts Committee.

**(Note:** For an additional recommendation which covers the reference to an MPAC workshop, see **Min. No. 43.12/2015** in the MPAC minutes dated 12 March 2015.)

#### **44.8 Page 23, para. 3.4.5.4 – Backlog in repairs and maintenance**

It was emphasised that in view of the R4 billion required to eradicate the maintenance backlog, the Municipality would have to secure assistance from National Government to obtain external funding for repairs and maintenance of infrastructure:

#### **RESOLVED TO RECOMMEND:**

That the City Manager and the relevant Executive Directors develop alternative strategies or funding mechanisms, **by identifying external funding sources and seeking support from National Government**, to ensure an adequate level of repairs and maintenance of municipal infrastructure.

#### **44.9 Page 23, para. 3.4.5.5 - Water losses**

With reference to recommendations (a) and (b) in the 2012/13 Oversight Report, it was commented that despite the recommendation to repair water leaks speedily, it still occurred that leaks that were reported went unattended by the Municipality.

It was furthermore stated that the Director: Infrastructure and Engineering had to provide more details regarding recommendation (b) below on how awareness could be spread about reporting leaks.

- (a) “The Municipal Public Accounts Committee recommends that, in order to address the high level of water losses experienced in Nelson Mandela Bay, all Councillors become more active in reporting water leaks and follow up reported cases until the problem is fixed.
- (b) The Municipal Public Accounts Committee recommends that a communication / media campaign be launched to educate residents where and how they can report water leaks in their community.”

It was stated that recommendations in response to the two comments above would have to be made by the Senior Director : Water and Sanitation.

**(Note:** There was no further discussion or recommendations made regarding this item at the meeting on 16 March 2015.)

#### **44.10 Page 23, para. 3.4.5.6 - Joint Operations Centre (JOC)**

The Committee recommended in the 2012/13 Oversight Report that the Joint Operations Centre be strengthened to function again as successfully as it had once done, and that awareness of its services be spread by a marketing campaign in the local media. However, none of that had happened, and JOC was merely “limping forward”. It was accordingly **RESOLVED** to re-submit the previous recommendations, as set out below, for inclusion in the 2013/14 Oversight Report:

- (a) “The Municipal Public Accounts Committee recommends that the Joint Operations Centre be reinforced and be populated with officials from all directorates to ensure that service delivery complaints reported to the Centre will be addressed more effectively and efficiently.

- (b) The Municipal Public Accounts Committee recommends that an intensive media campaign be undertaken to make the public aware of the 0800 20 50 50 number (Call Centre) for reporting all service delivery related complaints and enquiries.
- (c) The Municipal Public Accounts Committee recommends that the 0800 20 50 50 number be monitored to ensure that calls from township areas are handled on an equal footing with calls from other residential areas.
- (d) The Municipal Public Accounts Committee recommends that a quarterly JOC Performance Report be tabled at MPAC.
- (e) The Municipal Public Accounts Committee recommends that effective communication be established between the 0800 20 50 50 Call Centre and the relevant depots so that callers are promptly advised when repairs have been effected.”

#### **44.11 Page 24, para. 3.4.5.8 – Electricity**

The Committee agreed that in respect of recommendation (b) in the 2012/13 Oversight Report regarding the importance of adequate lighting in Nelson Mandela Bay and particularly in the townships and informal settlement areas, there had to be a firm commitment to provide the Electricity and Energy Directorate with the funding it required. It was also pointed out that crime increased in areas without proper lighting. Recommendation (b) was amended as follows for inclusion in the 2013/14 Oversight Report:

The Municipal Public Accounts Committee recommends that, in the development of the **2015/16** Budget, the Executive Director: Electricity and Energy, in consultation with the Chief Financial Officer, **adopts as a firm commitment the need to address** the lack of adequate lighting throughout Nelson Mandela Bay, especially in the townships and informal settlement areas, **also in view of the role of lighting in discouraging criminal activities.**

#### **44.12 Page 24, para. 3.4.5.9 – Safety and Security**

It was pointed out that no results had been forthcoming from the following recommendation that was included in the 2012/13 Oversight Report:

“The Municipal Public Accounts Committee recommends that the City Manager and the Executive Director: Safety and Security ensure that an all-encompassing strategic plan to address the following issues in the Safety and Security Directorate be developed and submitted to Council by 30 June 2014:

- (i) Traffic Department – covering all operational aspects, including, but not limited to the services rendered at traffic and licensing centres, with the emphasis on improvement in productivity, efficiency and service levels, staffing, the current lack of a 24-hour traffic service, union interference, acceptable income and revenue collection from fines;”

It was stated that the Committee was not in a position to make a further recommendation in this regard, which should come from the Executive Director : Safety and Security.

(**Note:** There was no further discussion or recommendations made regarding this item at the meeting on 16 March 2015.)

#### **44.13 Page 25, para. 3.4.6 – Local Economic Development**

It was pointed out that some progress had been made towards establishing a One-Stop Shop for small business, but as MPAC wished to stress its support for the promotion of the small business sector, it was agreed that the recommendation be again included in the 2013/14 Oversight Report, with small amendments as set out below:

A proposal was also made that a strategic Local Economic Development workshop be held to identify clear objectives and guidelines.

#### **RESOLVED TO RECOMMEND:**

- (a) The Municipal Public Accounts Committee recommends that **in view of the vital need for assisting the small business sector**, the City Manager and the Executive Director: Economic Development, Tourism and Agriculture submit a progress report incorporating an implementation plan to the Municipal Public Accounts Committee and Council by 30 June **2015** regarding **further progress made towards** the establishment of a one-stop shop for small businesses.
- (b) The Municipal Public Accounts Committee recommends that a strategic Local Economic Development workshop be held to identify clear objectives and guidelines.

#### **44.14 Page 25, para. 3.4.7 – Assistance to the Poor (ATTP)**

The Committee agreed to re-submit the following recommendation contained in the 2012/13 Oversight Report:

#### **RESOLVED TO RECOMMEND:**

That the City Manager and the Chief Financial Officer ensure that the processing of applications received in terms of the Assistance to the Poor Scheme be fast-tracked and that regular progress reports in this regard be submitted to the Municipal Public Accounts Committee.

#### **44.15 Page 27, para. 3.4.10.1 – Internal Audit Charter**

It was agreed that the following recommendation be resubmitted unchanged in the new Oversight Report:

#### **RESOLVED TO RECOMMEND:**

That the City Manager ensures that all staff and directorates respect and adhere to the Internal Audit Charter, which allows the Internal Audit and Risk Assurance Sub-directorate unrestricted access to all documents, personnel, property and information pertaining to an official audit or investigation and that any instances of resistance in that regard experienced by the Sub-directorate be reported to MPAC.

#### **44.16 Page 27, para. 3.4.10.4 – Intergovernmental Relations (IGR) Forum**

(When this point was raised at the meeting on 16 March 2015, the Committee was referred to its resolution in that regard as per Minute No. 43.3/2015 dated 12 March 2015.)

### **45. RESPONSE BY CITY MANAGER TO MATTERS RAISED**

The City Manager responded as follows to matters raised during the discussion of the non-implementation of recommendations in the 2012/13 Oversight Report:

- (i) During 2014 a decision was in place which determined that no vacant positions be filled.
- (ii) Proposals, for example the one relating to weekly refuse collection services, had to be linked to the available budget.
- (iii) Regarding the filling of the vacant position of Director : Legal Services, an appointment had been made and the appointee would start working in April 2015.
- (iv) The assistance of Councillors was required in respect of the Expanded Public Works Programme (EPWP), as employing persons in terms of the EPWP had to be politically led. The employment process should be speedily finalised in order to prevent delays which, in turn, lead to under-spending of the available EPWP funding.

- (v) The political leadership was called upon to assist the administration by ensuring that the various formations of SMMEs in the NMBM area speak with “one voice” when their concerns are discussed with the Municipality, which would be more practical and effective than dealing with separate formations.
- (vi) The City Manager concluded by saying that when MPAC makes recommendations to Council in the form of the Oversight Report, it should also recommend that once Council has adopted the recommendations, such resolutions immediately be taken up in the SDBIP of the Municipality, and that progress regarding implementation be subsequently submitted to MPAC via the Quarterly Reports.

## **NOTED**

### **46. RECOMMENDATIONS MADE BY CHAIRPERSON**

The Chairperson stated that the following recommendations could either form part of the Oversight Report, or be followed up in ordinary MPAC meetings:

- (a) That in order to improve the processing of applications for the Assistance to the Poor (ATTP) Scheme, the Chief Financial Officer submit a report to the next ordinary MPAC meeting on the rate of verification and authorisation of each ATTP application, also reporting on the number of applications verified per week by each employee.
- (b) That public participation meetings be held per ward for the residents of that particular ward only, and that the method of clustering wards together for the purpose of public participation meeting be abandoned.
- (c) That in wards where loudhailing is required to notify residents of meetings, such loudhailing be carried out by persons residing in the particular ward and who are familiar with the lay-out of the ward.
- (d) That it be incumbent upon Councillors serving on the Executive Mayor’s Committee, as well as all relevant officials, to attend public participation meetings.
- (e) That in documents presented by Councillors and officials at public participation meetings on the Annual Report, comparisons be given between achievement of targets for the year under review and the year before that, to show whether there had been progress.
- (f) That the City Manager and the Executive Director : Corporate Services fast-track the transfer of officials engaged in the administration of Ward Committee’s to the



Speaker's Office, and that the Ward Committees Indaba and the People's Assembly be re-instated.

- (g) That the numbers of persons employed in terms of the Expanded Public Works Programme be evenly spread throughout the wards.
- (h) That an Action Plan with time-frames to address the findings in the Auditor-General's Report be drawn up by the Director: Internal Audit and Risk Assurance.
- (i) That a monitoring mechanism be introduced in the Legal Services Sub-directorate to eliminate the lengthy delays in processing some of the work assigned to that Sub-directorate.
- (j) That the Director : Internal Audit and Risk Assurance identify risk factors in the institution and submit same to the City Manager and the Audit Committee, with proposed solutions for dealing with such risks.
- (k) That an empowerment workshop be arranged for MPAC, to be addressed by National Treasury representatives, inter alia, to clear up the current uncertainty and conflicting views in respect of the prescription of claims for the recovery of funds.

The City Manager responded as follows to the proposals made by the Chairperson:

- (i) Not only officials were often tardy in attending public participation meetings, but Councillors too, to such an extent that it was sometimes hard to find a Councillor to chair such meetings, but the matter would be discussed with the Executive Mayor.
- (ii) The issue of whether public participation meetings must be held per ward or per cluster of wards would also be discussed with the Executive Mayor, as the City Manager believed that the instruction had been for meetings to be held in clusters of wards.
- (iii) If loudhailing was arranged through the Supply Chain Management System, it could not be done on the basis of having only residents of wards doing the loudhailing in those wards, as people had to be allowed to work anywhere in the NMBM area.

**NOTED**

#### **47. PUBLIC PARTICIPATION – FURTHER POINTS MADE**

Councillor Harning stated that there were two types of attendees of public participation meetings, namely people with own transport and people without transport. She said that cluster public participation often results in the venue being too far for those without transport to reach it, and cluster meetings for those with transport is usually in areas where there is no loudhailing. There were therefore clearly two separate types of “clients” for public participation, each of whom should be accommodated.

The situation with loudhailing was also a challenge. If loudhailing was to be arranged through the Supply Chain Management system or any other method to try to ensure representation throughout the NMBM area, persons would be doing loudhailing in wards where they are not very familiar with the area, the circumstances and the specific community, which would impair the effectiveness of the loudhailing, as has often been the case.

**NOTED**

#### **48. CLOSURE**

The meeting concluded with an announcement that MPAC would pay an Oversight Site Visit on Wednesday, 18 March 2015 to an area in Zwide, where work on the Integrated Public Transport System was affecting normal access for residents.

The meeting terminated at 10:45.

**COUNCILLOR V J TUTU  
CHAIRPERSON**

# ANNEXURE “B” - ADVERTISEMENT/INVITATIONS TO THE PUBLIC TO PARTICIPATE IN OVERSIGHT PROCESSES OF THE ANNUAL REPORT



## NOTICE OF 2013/14 ANNUAL REPORT AND 2014/15 MID-TERM REPORT OPEN FOR INSPECTION

The 2013/14 Draft Annual Report and the 2014/15 Mid-Term Report of the Nelson Mandela Bay Metropolitan Municipality were tabled in Council on 22 January 2015. The 2013/14 Draft Annual Report was referred to the Municipal Public Accounts Committee for review. The Municipality hereby invites comments from the public on these two reports.

Copies of these reports lie open for inspection at all municipal libraries and customer care centres, as well as on the municipal website: [www.nelsonmandelabay.gov.za](http://www.nelsonmandelabay.gov.za).

Any comments on the reports must be submitted to the Office of the City Manager (Attention: Chief Operating Officer) at PO Box 116, Port Elizabeth 6000; or fax: 041 505 4524; or e-mail: [coadmin@mandelametro.gov.za](mailto:coadmin@mandelametro.gov.za) by not later than **MONDAY, 2 MARCH 2015**.

The schedule of meetings of the Municipal Public Accounts Committee where the 2013/14 Annual Report will be discussed is as follows:

DATE	TIME	VENUE
3 February 2015	09:00	Council Chambers, City Hall
17 February 2015	09:00	Council Chambers, City Hall
24 February 2015	09:00	Council Chambers, City Hall
5 March 2015	09:00	Council Chambers, City Hall
12 March 2015	09:00	Council Chambers, City Hall

It should also be noted that members of the public are welcome to attend any of the scheduled oversight meetings of the Municipal Public Accounts Committee, during which the 2013/14 Annual Report will be discussed, in the capacity of observers.

*Ref. 12 – 29 January 2015*

*Under the hand of the City Manager, Mr Mpilo Mbambisa*

**TOGETHER MOVING SOUTH AFRICA FORWARD!**

**IDP AND BUDGET REVIEW AND 2013/14 ANNUAL REPORT  
03 – 11 MARCH 2015**

Chapter 4 of the Municipal Systems Act 32 of 2000 states that a municipality must develop a culture of municipal governance that complements formal representative governance with a system of participatory governance, and must for this purpose encourage and create conditions for the local community to participate in the affairs of the municipality, including in the preparation, implementation and review of its Integrated Development Plan in terms of Chapter 5.

During the period 03 - 11 March 2015, the Municipality will be conducting a series of public participation meetings on the 2014/15 IDP/BUDGET Review and 2013/14 Annual Report.

All residents of Nelson Mandela Bay, including stakeholders, civil society, government departments and parastatals, are encouraged to fully participate in these sessions and make meaningful contributions in order to improve development and service delivery in the Metro. The consultations will be led by the Executive Mayor and the Mayoral Committee.

Please attend any of the scheduled public meetings below:

**PUBLIC PARTICIPATION SESSIONS: 03 - 11 March 2015**

DATE AND TIME	CLUSTER	WARDS	VENUE
Tuesday, 03 March 2015 18h00 – 20h00	Molly Blackburn	6,7,8,9,12 (portion of 12), 39	Linton Grange Library Linton Grange Shopping Complex, Cape Road
Tuesday, 03 March 2015 18h00 – 20h00	Govan Mbeki	20, 21, 22, 24	Lillian Ngoyi Community Hall Daku Rd, KwaZakhele
Tuesday, 03 March 2015 18h00 – 20h00	Lillian Diedericks	41	Joe Slovo Community Hall (Marques next to Hall) Cnr Andiswa St and Mzwandile St Joe Slovo Village
Wednesday, 04 March 2015 18h00 – 20h00	Alex Matikinca	54, 55, 57	NU 30 Community Hall Ngedle St, Motherwell
Wednesday, 04 March 2015 18h00 – 20h00	Champion Galela	25, 26, 27, 28	Soweto Multi-Purpose Community Centre Mbanga Street, Soweto-on-Sea
Wednesday, 04 March 2015 18h00 – 20h00	Champion Galela	30, 33, 36	Henry Fazzie Community Hall Sidull St, KwaDwesi
Thursday, 05 March 2015 18h00 – 20h00	Zola Nqini	42, 43, 44	Jeff Masemola Hall Tize Rd, KwaNobuhle
Thursday, 05 March 2015 18h00 – 20h00	Molly Blackburn	4 and portion of Ward 5	Walmer High School Cnr Fountain Ave and Hough Rd, Walmer
Thursday, 05 March 2015 18h00 – 20h00	Zola Nqini	45, 46, 47	Babs Madlakane Hall Cor Ponana Tini and Hoyana Roads, KwaNobuhle
Monday, 09 March 2015 18h00 – 20h00	Alex Matikinca	23, 56, 58, 59	Raymond Mhlaba Sport Centre Cor Nyara and Nzunga Streets, Motherwell
Monday, 09 March 2015 18h00 – 20h00	Alex Matikinca	60	Wells Estate Sport Centre, Sityohyhalweni St Wells Estate
Monday 09 March 2015 14h30 – 16h30	Sectors	All	Reception Room, City Hall Vuyisile Mini Square, Central
Monday, 09 March 2015 18h00 – 20h00	Zola Nqini	52, portion of 53 (Despatch)	Khayamnandi Community Hall Sibra Mkhonto St, Khayamnandi
Tuesday, 10 March 2015 18h00 – 20h00	Zola Nqini	48, 49, 50, 51, portion of 53 (Uitenhage)	Allanridge Community Hall Kamesh Road, Uitenhage
Tuesday, 10 March 2015 18h00 – 20h00	Lillian Diedericks	10, 11, 12	Gelvandale Community Hall Liebenberg Rd, Gelvandale
Tuesday, 10 March 2015 18h00 – 20h00	Lillian Diedericks	13, 31, 32	Helenvale Community Centre, Cnr of Baatjie Kobus Rd
Tuesday, 10 March 2015 18h00 – 20h00	Lillian Diedericks	29, 34, 35, 37, 38	George Botha Sport Centre 30 Mpuko St, Bloemendal
Tuesday, 10 March 2015 10h00 – 12h00	Business Sector	Business and State Owned Enterprises	Council Chambers, City Hall Vuyisile Mini Square, Central
Wednesday, 11 March 2015 18h00 – 20h00	Govan Mbeki	14, 15, 17, 18	Nangoza Jefe Hall 154 Ntshekisa Rd, Ibhayi
Wednesday, 11 March 2015 18h00 – 20h00	Govan Mbeki	16,19	Bolo Punch Community Hall Stoffie St, Seyisi, KwaZakhele
Wednesday, 11 March 2015 18h00 – 20h00	Molly Blackburn	40	Kuyga Community Hall 35 Nkanjeni Drive, Greenbushes
Wednesday, 11 March 2015 18h00 – 20h00	Alex Matikinca	Portion of 53 (Colchester)	Colchester Community Hall 48 Albert St, Colchester
Wednesday, 11 March 2015 18h00 – 20h00	Molly Blackburn	1, 2, 5 and portion of Ward 3	Walmer Town Hall Cnr 8 <sup>th</sup> Ave and Main Rd, Walmer

Ref: 36 - 28 February 2015

Under the hand of the City Manager, Mr Mpilo Mbambisa

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**ANNEXURE “C” – MINUTES OF PUBLIC PARTICIPATION ON THE  
2015/16 IDP AND BUDGET PROCESS AND THE 2013/14 ANNUAL  
REPORT HELD FROM 3 TO 11 MARCH 2015**

**MINUTES OF PROCEEDINGS OF IDP MEETING HELD AT THE  
COLCHESTER COMMUNITY HALL**

**(Meeting held on 11 March 2015)**

**PRESENT:** Councillor P Ndlovu  
Councillor S Sauls

**OPENING AND WELCOME**

Councillor Ndlovu welcomed all present and briefly explained the purpose and objective of the meeting. She requested the NMBM officials present to introduce themselves and indicate which Directorate they represent.

Councillor Sauls gave an overview of the Annual Report and invited inputs from the members of the community.

**INTERACTIVE SESSION**

The following inputs/concerns were received:

- A common thread throughout the meeting was that the Colchester area was being neglected in general and no real progress being made to improve the ward.
- No recreational facilities for young people in Colchester.
- Illegal dumping creating a health risk. Containers for dumping should be provided in the ward. Arrangements should be made with Waste Collection company to collect more regularly which would also keep the area cleaner.
- General problems with toilets being experienced, e.g. not flushing, leaking, etc.
- Housing related problems were highlighted, especially the shortage of houses in Colchester. Problems with regard to infrastructure, sanitation, etc. were also raised.
- Lack of clinics in the ward.

- General lack of infrastructure in the area.
- No job creation and employment opportunities in the area.
- Youth skills training should be investigated.

Councilor Ndlovu responded to some of the issues raised, and thereafter thanked everyone for attending this very important Public Participation meeting.

The meeting adjourned at 20:15.

**CONVENOR**

## **A MEETING OF INTERGRATED DEVELOPMENT PLAN (IDP) AND BUDGET REVIEW WAS HELD AT GEORGE BOTHA SPORT CENTRE 10 MARCH 2015.**

Present : Councillor Ms. S Marlow (Ward 38) Chairperson  
: Councillor Ms. N Nqungu (PR)  
Departments : Budget and Treasury  
: Electricity  
Wards : 29, 34, 35, 37, 38

### **1. Opening and welcome**

Councillor Ms. S Marlow welcomed all present and declared the meeting opened.

### **2. Purpose of the meeting**

Councillor Ms. S Marlow explained that the purpose of the meeting was in respect of the public participation process on, the IDP, and budget review for the community to participate in identifying priority needs of the following wards 29, 34, 35, 37, 38 respectively.

### **3. Presentation of the 2014/2015 IDP and Budget (was made by Councillor S Marlow).**

**3.1** A summary of basic service delivery and infrastructure development was explained from the previous IDP and Budget review, the main focus was on the provision of:

- Housing
- Water and Sanitation
- Electricity
- Roads and Storm water
- Waste Management Services
- Parks and Cemeteries
- Safety and Security

### **4. Question/ comments**

The appeals made and comments and proposals received are summarized as follows.

- Sport facilities needed to be looked at because budget is available.
- Youth skills and training to be investigated in the area.
- Dissatisfaction was expressed with regard to the fact there were no, High schools, clinics. Police stations and sport fields for the community.
- Poor or slow pace to accommodate beneficiaries with rectification of houses and the resident suspect foul play.
- Housing related problems were highlighted with special reference to the poor workmanship on the houses that now needed rectification.
- Numerous requests were made in respect of houses rectification project to be given to senior citizens first.

- Shortage of electricity vendors.
- High level of unemployment.
- Police station too far, one stop shop services was suggested by one of the Councillors present.
- Some areas did not have electricity and storm water drains.
- The primary schools and High Schools are too far from the residential area.
- The open space with bushes causes high crime rate because the pupil of this area walk to Schools as result they got raped and robbed their belongings
- Drug abuse and alcohol consumption is high in the area, because there no activities to accommodate the youth.
- The issue of food parcels was raised, many do not benefit from it.
- Social Development must roll out training of skills to all the WARDS concern.
- Sanitation and flooding in area is bad.
- Assistance to the poor (ATTP), unemployed, and employed citizens in the area was outlined by the community members.
- High must lights from Kleinskool to Jackson Ville must be erected to fight or reduce crime rate in the area.
- Public ablution was requested by the community members.
- Progress report must be available when needed by community members from the Councillors of various wards.

#### **5. Answers to the Questions.**

- Councillor Ms. S Marlow responded to some of the issues raised and those that needed clarity she mentioned that a third revisit has been promised and that the public officials from various Directorates will be available to give answers.
- Few officials from various Directorates present tried to answer some of the questions a followed.
- For electricity cuts the people are encouraged to come forward to fill in application for (ATTP).
- The issue of housing rectification is being addressed by the Province and there is an investigation to the rectification of extended houses and the project is on hold.

#### **6. Closing.**

Councillor Ms. S Marlow thanked all the people present and honored them for being patient to the delay of the meeting.

**THE MEETING WAS TERMINATED AT 20H40.**



# **NOTES ON THE PROCEEDINGS OF IDP AND BUDGET PUBLIC PARTICIPATION – BABS MADLAKANE HALL**

**(Meeting held on 5 March 2015)**

**PRESENT:** Cllr L Stemele  
Cllr L Qukubana  
Cllr M Vaaltyn  
Cllr N Soul

**ALSO PRESENT:** Mr. L Myira (Committee Officer)

**APOLOGIES:**

**NONE**

## **1. OPENING AND WELCOME**

Councillor L Stemele opened the meeting by requesting all present to observe a moment of meditation thereafter he requested Councillor L Qukubana to welcome community members present. Councillor L Qukubana welcomed members of the community present in the meeting and encouraged them to participate fruitfully in the deliberations.

## **2. PURPOSE OF THE MEETING**

Councillor L Stemele explained that the purpose of the meeting was to canvass for ideas on what needs to be included in the Budget and IDP for the forthcoming financial year and also on how to improve on the previous suggestions.

After the purpose was explained he handed over to Councillor M Vaaltyn who explained that the need for public participation was a legislative requirement and that before any budget could be adopted it should be approved by the community first. He further explained that the current budget was just above R8m.

After the explanation by Cllr. Vaaltyn the Chairperson invited comments from the community members.

### **3. COMMUNITY CONCERNS**

The following concerns were raised in the meeting:

- NMBM should follow-up the problem of unfinished houses at Chris Hani informal settlement.
- The community wanted to know what the NMBM has done to improve performance on service delivery from previous years because it looked as though these public participation meetings were only conducted as a public relations exercise.
- It was proposed that housing rectification process should be extended to pre 1994 houses as most of the houses that were built pre 1994 were in a dilapidated state.
- NMBM should consider building a Youth Centre at Ward 46 as there had been talks in the past about buying and developing Dr. Zauka's surgery at Kama Street.
- A major concern was raised about Uitenhage being a ghost town because if a community member need to report any service delivery problem he should go to Port Elizabeth which was a costly exercise.
- The municipality should consider refurbishing or replacing aging infrastructure.
- NMBM should submit a detailed report on what projects have been implemented.
- NMBM should in future build disable-friendly houses and facilities.
- Loud-hailing for community projects should be done by members of those communities.
- Mabandla clinic should be re-opened to the public again because there was a shortage of health facilities.
- NMBM should investigate the problem of people who have title deeds yet they do not have houses.

After the community concerns the Councillors promised to refer the concerns to relevant directorates.

Meeting adjourned at 21h00

**PUBLIC PARTICIPATION PROGRAMME IDP, BUDGET  
REVIEW AND 2013/14 ANNUAL REPORT- GOVAN MBEKI CLUSTER (WARDS 14,  
15, 17 AND 18)**

**(Notes of meeting held on Wednesday, 11 March at Nangoza Jebe Community  
Hall, at 18:00)**

**1. OPENING AND WELCOMING**

Councillor Dyantyi requested a community member to open with a prayer and the meeting was declared open.

**2. PRESENTATION: IDP, BUDGET REVIEW AND 2013/14 ANNUAL REPORT**

Councillor Mfunda presented the IDP, Budget Review and 2013/14 Annual Report as circulated at the meeting. He further announced that the Electricity and Energy strike that was taking place at the municipality was resolved and there was a process plan that was to be followed and that all employees were to resume with their duties on Thursday, 12 March 2015.

**3. QUESTIONS/COMMENTS AND CLARITIES**

At this stage, Councillor Mtwana invited questions from the audience on the 2013/2014 Annual Report, IDP and Budget Review, the comments and questions were as follows:

**Ward 14**

- Electricity cut off due to high water bill and yet no meter reading was done
- New Brighton Clinic – no chronic medication for Blood Pressure and Diabetes
- Houses in Pendla affected by rain as roofs are leaking
- Open drain in Pendla that was not attended to
- Rectification of Magnum houses and zinc roofs are leaking due to the solar gysers that were installed incorrectly
- Employment for the next phase of Mendi Bottle store – preference be given to the people in the area
- Next phase of finalising Gqamalana Street
- Streets dirty due to illegal dumping
- Housing waiting list progress
- Illegal dumping in Nikiwe Street
- Promotion of co-ops
- Need a swimming pool

### **Ward 15**

- Eradication of buckets as some were still using pit toilets
- Njoli Development – been on hold too long municipality needs to take legal action against those who do not want to move
- Irregular expenditure – action against those responsible
- Report on how many houses were build and back fall
- Rectification
- 

### **Ward 17**

- No electricity in the area behind Shoprite in New Brighton for weeks due to an electrical substation that was not maintained
- Spider web project
- Street repairs in Tsewu Street
- Back yard dweller: waiting list – when would houses be built for them
- Tshangana park has a water logged spot
- Housing waiting list since 1993
- Progress for building houses for back yard dwellers that registered in 1996 and 1999
- Water leaks
- Overcrowding in Vuku houses
- Roofs leaking
- What are the measures to be taken to those connecting electricity illegally

### **Ward 18**

- Rectification (Ndokwenza)
- No assistance in Ndokwenza Clinic as the patient did not have a booklet and could not afford the one that was sold at the clinic for R3 to record patient medical history
- People on housing waiting list for a long time and sometimes do not appear in Councillor's waiting list
- 

## **4. RESPONSE TO QUESTIONS/COMMENTS AND CLARITIES**

Councillors responded to the issues regarding their Wards and Councillor Mfunda indicated that there was going to be another round of public participation for the draft 2015/16 IDP and Budget and that those who needed more information can contact their Ward Councillors or one of the officials present at the meeting.

## **5. VOTE OF THANKS: COUNCILLOR V TUTU**

Councillor Tutu thanked the community for attending the meeting and indicated that refuse collection was to be done on a weekly basis from 1 April 2015 and he further added that there was a policy that was being drafted to accommodate the rectification of pre 1994 houses.

## **6. CLOSURE**

The meeting was closed with a prayer at 20:10

**IDP AND BUDGET REVIEW & 2013/14 ANNUAL REPORT – ALEX  
MATIKINCA CLUSTER  
(WARDS 54, 55, AND 57)**

**(Meeting held on 4 March 2015)**

**PRESENT:** Director: MURP (Mr N Dunjana)  
Councillor A Nyikilana  
Councillor T P Nkosiyaphantsi  
Councillor S D Madlavu  
Councillor M J Madolo

**OPENING AND WELCOME**

Councillor Madlavu welcomed everyone present and thanked them for their attendance; he then formally introduced the deployed Councillors and gave a brief background of the meeting and its objective.

Members of the Community were informed on the purpose of the meeting and given brief explanation of the Speaker's Notes by Mr Dunjane and the importance of taking the Budget and IDP process to the people.

**INTERACTIVE SESSION**

Ward 54

- Concern raised about NU 29 that has no schools, clinic, nor any public facility. There is only one school bus which is too full and could be dangerous should anything go wrong.
- That the only available temporary clinic in this area opens in certain days (2 days) of the week and not everyday as it is supposed to.
- That a particular healthcare provider at NU11 Clinic had an unpleasant attitude when assisting the residents. They pleaded the Ward Councillors to visit this clinic and address the nurses about chasing away of NU 29 residents when they need healthcare assistance.
- Illegal dumping was still a problem as people were also dumping bad things like dead dogs and they required waste containers in the interim.
- Sports field needed for youth to avoid drug abuse.

- Job creation was a challenge especially on EPWP which has a high rate of nepotism, and people employ their own relatives only.
- Clearing of bushes in NU11 to avoid crime in the area, especially at night.
- ATTP programme needs to be updated, people are given too many dates to come back without any assistance and they do not have enough money to travel to the Municipal offices time and time again.
- Garbage collections be done weekly and not fortnightly, refusal bags were still not delivered by the Municipality.
- A shelter was needed at the clinic for outside queue especially in winter.
- Some of the households still do not have solar geysers.
- Need Shopping malls and garages in the area.
- A concern was raised about people who sell RDP house, who do not accept government subsidy and want cash only.
- Flooding in Mhlangana Street has been reported but still no response.
- People who extended their houses are not considered during house renovations.
- House registration waiting lists have been pending for a long time, there are still backyard dwellers who have registered but still did not get their houses to date.

#### Wards 55 and 57

- Sports fields needed for youth and unemployment has reached high numbers and that promotes drug abuse.
- The loudhailers promised the residents to see the Executive Mayor, but he is not present.
- NU29 houses being given to people from outside of Motherwell.
- That residents had been promoting the ruling party for years and still they were unemployed and their children do not get houses either.
- Provision of schools and clinics during relocation to new areas.
- Increase in the number of waste collectors.
- Corruption on Municipal assets like; food parcels, cement, sand etc by officials and emerging constructors.
- Houses for the elders are still not built and there is no follow up when the person had deceased.
- Corruption on RDP houses being sold by official from as little as R5 000.
- Speed humps are needed in NU11.
- Community need church sites.
- 

#### **RESPONSES AND ANNOUNCEMENTS**

Councillors Nkosiyaphantsi and Mr Dunjane responded by acknowledging that they have taken note of all the complaints and compliment that were tabled.

They assured the residents that their concerns would be considered and forwarded to relevant Directorates and that a progress would be reported to them.

He explained to them where the Municipality was at the moment in terms of delivery. The causes of delays and the stumbling blocks were mentioned.

Councillor Nyikilana announced that there was an ANC 103<sup>rd</sup> Birthday Celebrations planned for Sunday, 8 May 2015 at Raymond Mhlaba Sports Centre, and that everyone was invited to attend this event.

## **CLOSURE**

The meeting was closed with a prayer by the member of the public.

The meeting terminated at 20:40