

OVERSIGHT REPORT

2020/21
ANNUAL REPORT

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FOREWORD BY THE CHAIRPERSON OF MPAC

The Municipal Finance Management Act (MFMA) requires municipalities to exercise specific oversight responsibilities on the Annual Report and prepare an Oversight Report in this regard. To this end, the establishment of the Municipal Public Accounts Committee (MPAC) of Council provides the appropriate mechanism in which the Council of Nelson Mandela Bay Municipality fulfils such oversight responsibilities. The MPAC has been delegated by Council to consider the Draft 2020/21 Annual Report, receive input from various stakeholders and prepare an Oversight Report for consideration by Council.

The Draft 2020/21 Annual Report of the Nelson Mandela Bay Municipality was referred by Council to MPAC on 27 January 2022 for review and the drafting of an Oversight Report on the 2020/21 Annual Report. To this end, MPAC held several meetings on the following dates to review the Draft 2020/21 Annual Report.

- 12 May 2022
- 16 May 2022
- 07 June 2022
- 13 July 2022
- 26 July 2022

The MPAC meticulously reviewed the contents of the Draft 2020/21 Annual Report and made recommendations accordingly. Concerns were raised across the different Key Performance Areas of the Municipality as contained in the Draft 2020/21 Annual Report. Particularly, the MPAC was concerned about repeated Auditor-General's findings and the weak implementation of the Municipality's Audit Action Plan. This Oversight Report contains the recommendations emanating from the deliberations and observations in respect of the Draft 2020/21 Annual Report.

The MPAC will continue to monitor the implementation of all its recommendations contained in this Oversight Report (including outstanding recommendations from previous financial years) through its ordinary and quarterly meetings.

The development of this Oversight Report was facilitated by both politicians and officials nominated to participate in the oversight process. To this end, I would like to extend special appreciation to the members of MPAC and the Executive Management for their contribution, dedication and hard work in fulfilling this important mandate.

Let us continue to hold public servants accountable for the betterment of our people.

A handwritten signature in black ink, appearing to read 'K Ngqisha', written in a cursive style.

COUNCILLOR K NGQISHA
(CHAIRPERSON)

1. PURPOSE

The purpose of this Oversight Report is to present to Council the observations made by the Municipal Public Accounts Committee and its recommendations regarding the Draft 2020/21 Annual Report for consideration.

The 2020/21 Annual Report provides overview of the Nelson Mandela Bay Municipality's performance (both financial and non-financial performance) during the 2020/21 financial year. The Annual Report is part of the Municipality's governance effort to account to stakeholders and residents of Nelson Mandela Bay, as mandated by the Local Government: Municipal Finance Management Act (MFMA) of 2003 and the Municipal Systems Act (MSA) of 2000.

2. INTRODUCTION

The 2020/21 Annual Report was developed in line with the Nelson Mandela Bay Municipality's key performance areas (i.e. Basic Service Delivery, Municipal Institutional Development and Transformation, Local Economic Development, Municipal Financial Viability and Management, and Good Governance and Public Participation).

The Draft 2020/21 Annual Report was presented to Council for review on 27 January 2022 and Council referred the Draft Annual Report to the Municipal Public Accounts Committee (MPAC) for review. The MPAC assessed the contents of the Draft 2020/21 Annual Report and made recommendations (in its Oversight Report) to Council for consideration. The MPAC's deliberations on the Draft 2020/21 Annual Report resulted in this Oversight Report.

The following processes were followed by the MPAC in assessing the Draft 2020/21 Annual Report:

- Reviewing and analyzing the Draft 2020/21 Annual Report.
- Inviting, receiving and considering inputs from stakeholders.

- Consideration of the views and inputs of the public, representatives of the Auditor-General, organs of state and Council's Audit Committee.

The MPAC conducted several meetings to examine the Municipality's overall performance as reported in the Draft 2020/21 Annual Report. The completion of the Oversight Report on the 2020/21 Annual Report was delayed due to the late receipt of the 2020/21 Auditor-General's Report (the Auditor-General's Report was only received on 28 February 2022) coupled with postponement of some scheduled MPAC meetings due to the municipal Council going into recess in June 2022.

The Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA), and National Treasury Circulars provide guidance in the drafting of the Annual Report. The Draft 2020/21 Annual Report consists of the following components:

- The 2020/21 Annual Performance Report, as required in terms of Section 46 of the Municipal Systems Act (MSA).
- The 2020/21 Audited Annual Financial Statements.
- The 2020/21 Auditor-General's Audit Report on the financial statements and programme performance in terms of Section 126 (3) of the MFMA and 45 (b) of the MSA respectively.
- The 2020/21 Audit Committee's Report.

3. COMPOSITION OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The MPAC membership is constituted as follows, proportionally representing the political parties in Council:

TABLE 1: COMPOSITION OF MPAC

NO	NAME	POLITICAL AFFILIATION
1	Councillor K Ngqisha (Chairperson)	Economic Freedom Fighters
2	Councillor M J Figg	Democratic Alliance
3	Councillor L P Grootboom (Whip)	African Christian Democratic Party
4	Councillor F Hermaans (Whip)	Defenders of the People

NO	NAME	POLITICAL AFFILIATION
5	Councillor N N Koko	African National Congress
6	Councillor N I Maswana	African National Congress
7	Councillor M K Mogatosi	Democratic Alliance
8	Councillor H Müller (Whip)	Democratic Alliance
9	Councillor X L Notshe (Whip)	African National Congress
10	Councillor N E Nqakula	African National Congress
11	Councillor B S Pegram	African National Congress
12	Councillor L Peter	African National Congress
13	Councillor N Qwazi	Economic Freedom Fighters
14	Councillor M G Steyn	Democratic Alliance
15	Councillor I L Van Wyk	Democratic Alliance

The MFMA Circular No.32 (Municipal Finance Management Act No.56 of 2003) states that the MPAC should be made up of only non-executive Councillors. It further provides that municipal officials cannot serve as members. All meetings of the MPAC are open to the public, and timely notice of meetings are given to enable representations to be made.

4. TIME CONSIDERATIONS

4.1 Meeting Schedule

The National Treasury's MFMA Circular No. 32 provides the following areas for the creation of the Oversight Report:

- Managing the process and establishing committees.
- Timing considerations.
- Understanding the Annual Report and drawing conclusions.

The MPAC complied with relevant legislative prescripts in developing the 2020/21 Oversight Report, except the extension of its timelines due to the late receipt of the

2020/21 Auditor-General's Report. Below is MPAC's schedule of meetings for assessing the Draft 2020/21 Annual Report.

TABLE 2: MPAC MEETING SCHEDULE

DATE	TIME	VENUE	FOCUS AREA
12 May 2022	10:00	Council Chamber	<ul style="list-style-type: none"> ○ 2020/21 Annual Report Process / Adoption of Roadmap
16 May 2022	10:00	Council Chamber	<ul style="list-style-type: none"> ○ Chapter 1 (Component A) ○ Chapter 2 ○ Chapter 5 & 6 ○ Appendix A ○ Appendix E ○ Appendix J ○ Chapter 4 ○ Appendices A, E and J
07 June 2022	10:00	Council Chamber	Chapter 1 (Component B)
13 July 2022	10:00	Joint Operation Centre, South End Fire Station	<ul style="list-style-type: none"> ○ Chapter 3: Service Delivery Performance Report and Component K ○ MBDA's Annual Performance Report
26 July 2022	10:00	Council Chamber	<ul style="list-style-type: none"> ○ MBDA Audit Report ○ Audit Committee Report ○ Consolidated Annual Financial Statements ○ Appendices B, C, D, F, G, H, I, K, L, M, N, O, P, Q, R and S.

5. LEGAL FRAMEWORK

The preparation of the 2020/21 Oversight Report is in accordance with Section 129 (1) of the Municipal Financial Management Act (2003), which requires a municipal council to consider the Annual Report and refer the Annual Report to an Oversight Committee. The Oversight Committee is required to prepare an Oversight Report containing comments and recommendations. The Council must at the adoption stage of the Oversight Report state whether it (the Council) has approved the Annual Report with or without reservations; has rejected the Annual Report; or has referred the Annual Report back for revision of those components that can be revised.

Circular No. 32 of the Municipal Finance Management Act, Act 56 of 2003 further recommends that Council should consider the establishment of an Oversight

Committee under Sections 33 and 79 of the Municipal Structures Act (1998). The Circular states that this Committee and, if needed, sub-committees, could be responsible for the detailed analysis and review of the Annual Report and subsequent drafting of an Oversight Report that may be taken to full Council for discussion. Such committee, according to this Circular, may receive and review representations made by the public and seek inputs from other Councillors and Council Portfolio Committees.

6. PUBLIC PARTICIPATION IN THE OVERSIGHT PROCESS

Section 130 of the MFMA stipulates that public participation must be a central element of all processes relating to an annual report. In so doing, the aforementioned Section 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.

Municipalities are required to take the following steps to promote public participation in the annual report oversight process:

- Invite written responses on the Annual Report from the local community or state organizations.
- Make all meetings where the Annual Report will be discussed public.
- The Auditor-General's representatives have the right to attend and speak at any meeting dealing with the Annual Report.
- Hold a public engagement procedure for the Annual Report.

The Draft 2020/21 Annual Report was included in the public participation programme implemented during April 2022. The Municipality further implemented the following initiatives to promote public participation in the oversight process:

TABLE 3: PUBLIC PARTICIPATION PROCESS

MECHANISM TO PROMOTE PUBLIC PARTICIPATION	STATUS	COMMENTS
Invitation to public to submit comments on the Annual Report	Done	The Public was invited through an advertisement published on 1 February 2022 and 16 May 2022 to submit comments on the Draft 2020/21 Annual Report to the Municipality.

MECHANISM TO PROMOTE PUBLIC PARTICIPATION	STATUS	COMMENTS
Make public all meetings of Council's Oversight Committee that will consider the Annual Report	Done	The MPAC adopted Roadmap was advertised on 16 May 2022 inviting the public to its scheduled meetings, where the Draft 2020/21 Annual Report is to be discussed.
Representatives of the Auditor-General invited to meetings of Council that will consider Annual Report	Done	Auditor-General's representatives invited to the MPAC meetings convened to consider Annual Report.
Annual Report printed and distributed to municipal offices for access by local communities.	Done	Copies of these reports lie open for inspection at all municipal libraries and customer care centres and were also published on the municipal website (www.nelsonmandelabay.gov.za)

7. OVERSIGHT COMMITTEE RECOMMENDATIONS

The discussions and recommendations of MPAC were presented in accordance with the following identified areas in the Draft 2020/21 Annual Report.

- Area 1** Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.
- Area 2** Volume II: Audited (Consolidated) Financial Statements
- Area 3:** Volume III: Audit Report by the Auditor-General
- Area 4:** Volume IV: Audit Committee Report
- Area 5:** Volume V: Report on Entity – Mandela Bay Development Agency

TIMEFRAME CONSIDERATIONS

Implementation of the recommendations in this Oversight Report will be monitored by the MPAC through its ordinary and quarterly report meetings in line with the timelines indicated below.

7.1 OVERSIGHT COMMITTEE RECOMMENDATIONS

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.	1	The Committee raised a concern on the Application for leave of absence in terms of paragraph 3 of the code of conduct / Apologies.	That the Office of the Municipal Public Accounts Committee writes to various Executive Directors whose directorates were not represented, by a competent senior official, at this meeting and express the Committee's dissatisfaction in this regard.	The Chairperson of MPAC	16 May 2022 (Implemented)
	2	The Committee raised a concern about the fact that the current political leadership is reflected in the 2020/21 Annual Report instead of the previous leadership which was in power during the financial year under consideration.	That the Acting Chief Operating Officer investigates the discrepancies in the Political Structure as reflected in the Draft 2020/21 Annual Report and provide feedback thereof.	Acting Chief Operating Officer	16 May 2022 (Implemented)
	3	The following concerns were raised in respect of Supply Chain Management: <ul style="list-style-type: none"> ○ Poor Contract Management ○ Lack of Consequence Management ○ Non-filling of critical Contract Management vacancies 	<p>(a) That the Chief Financial Officer submits a comprehensive report on contract management to the next ordinary meeting of MPAC and thereafter, submits reports to the quarterly meetings of MPAC.</p> <p>(b) The report in terms of (a) above should reflect a consolidated list of existing contracts (above R200 000), contracts that are coming to an end within the next six months, progress of tenders in the supply chain management process, reasons for late awarding of contracts and consequence management plans thereof.</p>	Chief Financial Officer	6 September 2022 and Quarterly
	4	A concern was raised regarding the high number of vacancies that had a direct impact on service delivery.	(a) That the Executive Director: Corporate Services submits a comprehensive report regarding vacancies within the Municipality at the next ordinary meeting of MPAC.	Executive Director: Corporate Services	6 September 2022

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.			(b) That the report per (a) above reflects details on critical vacancies, budgeted and non-budgeted vacancies.		
	5	The Committee expressed dissatisfaction regarding the manner in which the Disciplinary Committee conducted its investigations, citing that some of the cases did not receive the degree of attention that they deserved.	<p>(a) That the Executive Director: Corporate Services submits a report on the misconduct of officials that were found guilty of theft and harassment as cited in the Draft 2020/21 Annual Report and the basis for the sanctions imposed to the next ordinary meeting of MPAC.</p> <p>(b) That the report per (a) above reflects details on possible actions to ensure that those officials are given proper sanctions.</p> <p>(c) That the Executive Director: Corporate Services provides an update on all disciplinary matters that are 'in progress' to the next ordinary meeting of MPAC.</p>	Executive Director: Corporate Services	6 September 2022
	6	<p>The following issues were raised as concerns:</p> <ul style="list-style-type: none"> ○ Declining electricity revenue ○ Declining water revenue ○ Lack of lease agreements / contracts in respect of rental of municipal facilities & equipment 	<p>(a) That the Executive Director: Electricity and Energy submits a comprehensive report on practical interventions, with specific plans to deal with electricity losses to the next ordinary meeting of MPAC.</p> <p>(b) That the Senior Director: Water and Sanitation submits a detailed report on water challenges and mitigation measures to the next ordinary meeting of MPAC.</p> <p>(c) That the Municipality increases spending on Repairs and Maintenance beyond 3.5% in an</p>	<p>Executive Director: Electricity and Energy</p> <p>Senior Director: Water and Sanitation</p> <p>City Manager</p>	<p>6 September 2022</p> <p>6 September 2022</p> <p>30 June 2023</p>

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.			<p>attempt to comply with the National Treasury standard.</p> <p>(d) That the Executive Director: Corporate Services submits a report on the management of municipal properties to the next ordinary meeting of MPAC.</p> <p>(e) That the report per (d) above reflects an updated list of municipal facilities, purpose of usage, revenue, and the type of agreement or contract in place.</p>	<p>Executive Director: Corporate Services</p> <p>Executive Director: Corporate Services</p>	6 September 2022
	7	The Committee expressed a concern about underperformance relating to the number of dwellings provided with connections to the main electricity supply by the Municipality (KPI No.1 of the Scorecards).	<p>(a) That the Executive Director: Electricity and Energy submits a progress report to address the slow pace of electricity connections to the next ordinary meeting of MPAC.</p> <p>(b) That the Report in terms of (a) above includes measures to address land invasion.</p>	<p>Executive Director: Electricity and Energy</p> <p>Executive Director: Human Settlements</p>	6 September 2022 6 September 2022
	8	<p><i>Percentage of known informal settlements receiving integrated waste handling services (KPI No.7 of the Scorecards):</i></p> <p>The following were highlighted as major challenges hampering the progress of ensuring waste and refuse collection, particularly in the informal settlements.</p>	(a) That the Executive Director: Public Health drafts a turn-around strategy to address the issues around waste removal, and that same be submitted to the Public Health Portfolio Committee for consideration.	Executive Director: Public Health	30 September 2022

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.		<ul style="list-style-type: none"> ○ Truck shortages ○ Illegal dumping ○ Excessive costs of utilising wheely-bins instead of refuse plastic bags ○ Poor servicing of municipal refuse trucks and vehicles ○ Lack of capacity within the Waste Management Sub-directorate 	(b) That a progress report per (a) above form part of MPAC's quarterly reports for oversight purposes.		Quarterly
	9	<p><i>Percentage compliance with the required attendance time for structural firefighting incidents (KPI No.10 of the Scorecards)</i></p> <p>The Committee expressed dissatisfaction regarding targets that were not met in respect of this item.</p>	<p>(a) That the Acting Executive Director: Safety and Security submits a report consisting of mitigating factors in ensuring compliance with the 14 minutes response time to structural firefighting incidents to the next ordinary meeting of MPAC.</p> <p>(b) That the Executive Director: Corporate Services submits an updated progress report on the filling of vacancies within the Fire Department at the next ordinary meeting of MPAC.</p>	<p>Acting Executive Director: Safety and Security</p> <p>Executive Director: Corporate Services</p>	<p>6 September 2022</p> <p>6 September 2022</p>
	10	<p><i>Number of scheduled public transport access points added (KPI No.16 of the Scorecards)</i></p> <p>The Committee expressed concerns regarding contractors who did not perform adequately including lack of contract management amongst various directorates.</p>	<p>(a) That Ward Councillors be informed about projects taking place in their respective wards to avoid misunderstanding within the communities.</p> <p>(b) That a report on contractor performance management be submitted to the next ordinary meeting of MPAC.</p>	<p>Acting Chief Operating Officer</p> <p>Chief Financial Officer / Executive Directors / Acting Executive Directors</p>	<p>31 August 2022</p> <p>6 September 2022</p>

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.	11	<i>Percentage of complaints/callouts responded to within 24 hours (sanitation/wastewater) (KPI No. 24 of the Scorecards)</i> Targets that were not met in respect of this item were of serious concern.	That the Senior Director: Water and Sanitation submits Standard Operating Procedure to the next ordinary meeting of MPAC with regards to: (a) Responding to water leaks and sanitation (b) Resolving water leaks and sanitation (c) Performance Report in respect of (a) and (b) above	Senior Director: Water and Sanitation	6 September 2022
	12	<i>Percentage of the Municipality's operating budget spent on free basic services to indigent households (KPI No.34 of the Scorecards)</i> Targets that were not met in respect of this item were of serious concern.	(a) That the Chief Financial Officer submits a progress report on budget expenditure on free basic services to indigent households for the 2022/23 financial year to the quarterly meetings of MPAC. (b) The Report in terms of (a) above should include backlog of applications awaiting processing/verification and a process plan to fast-track the processing of these applications.	Chief Financial Officer	Quarterly
	13	<i>Staff vacancy rate (KPI No.42 of the Scorecards)</i> The Committee expressed serious concerns regarding high vacancy rate within the Municipality, it was indicated that service delivery was ineffective because of lack of capacity, particularly within critical service delivery directorates.	That the Executive Director: Corporate Services submits progress reports on the filling of critical vacancies to the quarterly meetings of MPAC.	Executive Director: Corporate Services	Quarterly
	14	<i>Percentage of wards where at least one Councillor convened community meeting was held (KPI No.44 of the Scorecards)</i>	That the Executive Director: Corporate Services facilitates a workshop for Councillors on the requirement of the KPI: <i>Percentage of wards where</i>	Executive Director: Corporate Services	30 September 2022

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
		Targets that were not met in respect of this item were of serious concern.	<i>at least one Councillor convened community meeting was held.</i>		
Volume II: (Consolidated) Audited Financial Statements	15	The Committee expressed concerns on: <ul style="list-style-type: none"> ○ Unspent DORA Operating Grants ○ High employee Related Costs 	(a) That the Acting Executive Director: Roads and Transport submits a report on the Public Transportation Network Operations and the reasons for the unspent grant of R93,172,582 to the next ordinary meeting of MPAC.	Acting Director: Roads and Transport	6 September 2022
Volume II: (Consolidated) Audited Financial Statements			(b) That the Executive Director: Human Settlements submits a report on Human Settlements Development Grant of R1,247,571 as well as the Provincial Department of Human Settlements (Accreditation Grant) of R1,973,952 and the reasons for non-spending thereof to the next ordinary meeting of MPAC.	Executive Director: Human Settlements	6 September 2022
			(c) That the Acting Executive Director: Economic Development, Tourism and Agriculture (EDTA) submits a report on the European Union Grant (3rd Tranche) of R1,744,599 and the reasons for non-spending thereof to the next ordinary meeting of MPAC.	Acting Executive Director: EDTA	6 September 2022
			(d) That the Executive Director: Corporate Services submits a report on Provincial Department Agency: Communication Grant	Executive Director: Corporate Services	6 September 2022

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
		Bay regarding the ATTP programme. It was proposed that the Municipality should invest in outreach programmes to assist the residents to become aware and apply for the programme.	assist the residents to apply for the ATTP programme and submit progress reports to the quarterly meetings of MPAC.		
	20	Concerns were raised in respect of lack of effective systems to measure the percentage of complaints/ callouts responded to within 24 hours for water and sanitation.	That the mitigation measure to address the lack of effective system (to measure the percentage of complaints/ callouts responded to within 24 hours for water and sanitation) be included in the Audit Action Plan.	Senior Director: Water and Sanitation	31 August 2022
	21	The Committee expressed serious concerns in respect of the continuous water and electricity losses despite efforts to curb the issue.	That the Executive Director: Electricity and Energy facilitates an In-Committee presentation on the progress of the high energy users' case at the next meeting.	Executive Director: Electricity and Energy	07 June 2022 (Implemented)
Volume IV: Audit Committee Report Volume IV: Audit Committee Report	22	<i>Internal Financial Control and Internal Audits:</i> It was highlighted that the Internal Audit Unit had completed just 31% of its audit plan, this was due to insufficient or lack of capacity within the Internal Audit Unit.	(a) That the Director: Internal Audit and Risk Assurance submits a report on the challenges facing the Internal Audit Unit and mitigation measures to the next ordinary meeting of MPAC. (b) That the Internal Audit Unit considers utilizing external auditors to assist in ensuring the implementation of the Combined Assurance Model.	Director: Internal Audit	6 September 2022
	23	<i>Risk Management, Control and Corporate Governance</i> The Committee expressed serious concerns in respect of the fruitless and wasteful expenditure that was incurred as a result of poor implementation of mSCOA.	(a) That the Office of the City Manager submits a Section 32 report to the MPAC Sub-committee in respect of the fruitless and wasteful expenditure amount of approximately R90 million that was incurred by the Municipality in the implementation of mSCOA.	City Manager	23 August 2022

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
			(b) That the reports and recommendations of the Audit Committee be submitted to MPAC after every convened meeting thereof and that the Chairperson of the Audit Committee be invited to the MPAC meetings where the reports will be discussed.	Director: Internal Audit	Quarterly
	24	<i>Legal and Policy Compliance</i> The effectiveness of the Municipality's Legal Services Department was of concern. It was noted that excessive costs due to outsourcing legal services continued to rise as a result of the ineffectiveness of the Legal Services Department.	(a) That the Municipality conducts a review of its Legal Services Department to determine whether limitations in capacity or competencies exist (outlining roles and responsibilities). (b) A report in terms of (a) above be submitted to the ordinary meeting of MPAC	Acting Chief Operating Officer	30 September 2022 25 October 2022
Volume V: Report on Entity – Mandela Bay Development Agency Volume V: Report on Entity – Mandela Bay Development Agency	25	<i>Percentage of Mandela Bay Development Agency's Capital Budget Actually Spent (KPI No.12 of the MBDA Scorecard)</i> It was explained that the following challenges impacted on the spending of the provided Capital Budget: <ul style="list-style-type: none"> ○ Project delays due to objections and SMME related protests. ○ Instability of the MBDA Structure. 	(a) That the Acting Chief Executive Officer: MBDA submits a cost breakdown of Capital and Operational spending in the 2020/21 financial year to the next ordinary meeting of MPAC. (b) A progress report on the functionality of the Board, the appointment of the CEO and compliance with requirements as prescribed in the Service Delivery Agreement between the Municipality and the Entity be submitted to the next ordinary meeting of MPAC.	Acting CEO: MBDA	6 September 2022 6 September 2022
	26	<i>MBDA's Audit Report by the Auditor General (p.1150, agenda dated 12 May 2022):</i> The Committee noted that the MBDA incurred irregular expenditure of R4.5	That the MBDA submits to the MPAC Sub-committee, a Section 32 report on the irregular expenditure of R4.5 million that was incurred by the Entity in the 2020/21 financial year.	Acting CEO: MBDA	23 August 2022

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
		<p>million as a result of non-compliance with section 87 of the MFMA; this amount was then written off upon a unilateral decision by the Entity's Board.</p> <p>Cases of Unauthorized, Irregular, Fruitless and Wasteful expenditure that were not investigated were of serious concern.</p>			

8. OVERSIGHT REPORT RECOMMENDATIONS FROM 2017/18 TO 2019/20 NOT IMPLEMENTED

In addition to the recommendations cited in the preceding section (Section 7.1), the MPAC resolved to review its Oversight Reports of the previous financial years (2017/18 - 2019/20) to assess whether the recommendations it had made in the previous financial years had been implemented.

9. OVERSIGHT COMMITTEE (MPAC) RESOLUTIONS:

Having fully considered the Nelson Mandela Bay Municipality's 2020/21 Annual Report, the Municipal Public Accounts Committee resolves to recommend to Council the following:

- (a) That the Council, having fully considered the Annual Report of the NMBM for the 2020/21 financial year, adopts the Oversight Report, circulated as Annexure "A" to this agenda, as presented by MPAC.
- (b) That the 2020/21 Annual Report be approved with comments and recommendations as included in the Oversight Report.
- (c) That the recommendations of the Municipal Public Accounts Committee reflected in Section 7 of its 2020/21 Oversight Report be adopted and that, the progress made with the implementation thereof be reported in the Quarterly Reports to MPAC.
- (d) That the progress with the implementation of outstanding recommendations by MPAC emanating from the 2017/18, 2018/19 and 2019/20 financial years be reported in the Quarterly Reports to MPAC.
- (e) That the Oversight Report be made public in accordance with Section 129 (3) of the Local Government: Municipal Finance Management Act, Act 56 of 2003.

- (f) That the Oversight Report for the 2020/21 financial year be submitted to the Provincial Legislature in accordance with Section 132(2) of the Local Government: Municipal Finance Management Act, Act 56 of 2003.
- (g) That Council, having fully considered the Mandela Bay Development Agency's (MBDA's) Annual Report, as included in the NMBM's 2020/21 Annual Report, approves the Municipal Entity's Annual Report.

APPENDIX “A”:

**Minutes of Oversight Committee
(Municipal Public Accounts Committee)
meetings**

MINUTES OF PROCEEDINGS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

(Special Meeting held 12 May 2022)

PRESENT: Councillor K Ngqisha (Chairperson)

Councillor M J Figg
Councillor L P Grootboom
Councillor F Hermaans
Councillor N N Koko
Councillor N I Maswana
Councillor M K Mogatosi
Councillor H Müller
Councillor X L Notshe
Councillor N E Nqakula
Councillor B S Pegram
Councillor L Peter
Councillor N Qwazi
Councillor M G Steyn
Councillor I L Van Wyk

ALSO PRESENT: Acting Chief Operating Officer (Ms A Dawd Krause)
Chief Financial Officer
Executive Director: Corporate Services
Executive Director: Electricity and Engineering
Acting Executive Director: Sport, Recreation, Arts and Culture
(Ms C Williams)
Director: Internal Audit (Mr A Pika)
Deputy Director: Solid Waste Management (Ms A Dyakala)
Deputy Director: Monitoring and Evaluation (Dr W Obeng)
Manager: Monitoring and Evaluation (Ms M Mrubata)
Manager: Committee Services (Mr J Sigonyela)
MPAC Coordinator (Mr L Penxa)
Performance Management Practitioner: Office of the COO (Ms N Goqoza)
Chief Auditor (Mr A Jacobs)
Chief Committee Officer (Mr L Myira)
Chief Curator: Sport, Recreation, Arts and Culture (Mr U Baduza)
Acting Chief Committee Officer (Mr J Hoosain)
Controller: Finance (Human Settlements) (Mr C Dwayi)
Committee Officer (Mr O Bingwa)
Executive Secretary: Office of MPAC (Ms L Ngapi)
Administrative Officer: Public Health (Ms U Smith)

The Chairperson at this stage indicated that the City Manager was not present at this meeting and that there were no certainties as to the reasons thereof. He added that Council would address the issue of the City Manager as the matter was sub-judicae.

Consequently, the Committee agreed that the Chief Financial Officer should occupy the seat of the City Manager to ensure the smooth-running process of the meeting. It was explained that the Chief Financial Officer was not appointed as the Acting City Manager in this meeting and that he would not assume responsibilities of the Accounting Officer, however, this arrangement was to allow the meeting to proceed progressively.

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

No application for leave of absence were received.

The Committee at this stage expressed serious concerns regarding the absence of the Senior Officials at this meeting, citing that this was an act of disrespect towards the Committee. The Office of MPAC was requested to write to various directorates who were not represented, by a competent senior official, at this meeting and express the Committee's dissatisfaction in this regard.

RESOLVED:

That the Office of the Municipal Public Accounts Committee write to various Executive Directors whose directorates were not represented, by a competent senior official, at this meeting and express the Committee's dissatisfaction in this regard.

Apologies were received from:

Councillors M J Figg, N N Koko, N I Maswana, N E Nqakula who would leave the meeting early.

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

RESOLVED:

That the Minutes of Proceedings of the Municipal Public Accounts Committee at its meetings held on 12 May 2021, 15 June 2021 and 21 July 2021, as circulated, be hereby confirmed.

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

1. APPOINTMENT OF MEMBERS : MPAC SUBCOMMITTEE ON UNAUTHORISED IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE (5/20/2/5) (Item 1 – Agenda p. 16)

The Committee nominated and appointed Councillors M G Steyn, N N Koko and N Qwazi as the new members of the MPAC Subcommittee.

There were three (3) nominees for the two (2) positions of the MPAC Subcommittee Alternates, however, Councillor L P Grootboom voluntarily withdrew his name from the list of nominees. Consequently, Councillors N I Maswana and F Hermaans were appointed as Alternates.

RESOLVED:

- (a) That Councillors M G Steyn, N N Koko and N Qwazi be appointed as the MPAC Subcommittee members.
- (b) That Councillors N I Maswana and F Hermaans be appointed as Alternates.

2. REPORT BY MPAC CHAIRPERSON TO THE ORDINARY MPAC MEETING: 2020/2021 ANNUAL REPORT PROCESS / ROAD MAP (2/3/4/1/4) (Item 2 – Agenda p.16)

The Committee was the view that Mondays and Fridays were not conducive days to hold meetings and requested that the Chairperson, in future, should not include the aforementioned days in MPAC's work programme. However, it was agreed that the Committee was behind in terms of its deadlines and as such it was not in compliance with the legislation. In addition, it was agreed that the dates should be altered and that the processes should be guided by this roadmap.

It was also indicated that the consideration of the Auditor General's Audit Report should be brought forward to avoid duplication of resolutions in the process of dealing with the Annual Report. Consequently, the office of MPAC was requested to invite the Auditor General to the meeting of 16 May 2022 where the Audit Report would be discussed.

RESOLVED:

- (a) That the process/roadmap to review the Draft 2020/21 Annual Report be adopted by the Municipal Public Accounts Committee.

- (b) That the office of the Municipal Public Accounts Committee invite the Auditor General to the meeting of 16 May 2022 where the Audit Report would be discussed.

3. 2020/21 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 3 – Agenda p.19)

3.1 Chapter 1 – Executive Summary

3.1.1 Mayor’s Foreword and Executive Summary

NOTED

3.1.2 City Manager’s Overview

NOTED

3.2 Chapter 2 – Governance

3.2.1 Political Structure

The Committee raised concerns regarding discrepancies in the Political Structure as reflected in the Draft 2020/21 Annual Report. The office of the Chief Operating Officer was requested to investigate this matter and report back to MPAC.

RESOLVED:

That the Acting Chief Operating Officer investigate the discrepancies in the Political Structure as reflected in the Draft 2020/21 Annual Report and provide feedback thereof.

3.2.2 Supply Chain Management

The following concerns were raised in respect of this item:

- Poor Contract Management
- Lack of Consequence Management
- Non-filling of critical Contract Management vacancies

(Councillors Councillors N N Koko, N I Maswana, N E Nqakula and B S Pegramwho left the meeting at 11:55).

The Chief Financial Officer explained that a procurement plan was in place, which entailed details on the procurement processes and timelines. He added that the system also assisted in sending out an alert six months prior the contract’s expiry date. Councillor Grootboom was of the view that there was no consequence management taking place in cases where officials ignored the alert/notification.

With regards to filling of vacancies, it was explained that vacancies could not all be filled at once and that the process was subject to budget availability.

The Committee requested the Chief Financial Officer to submit a comprehensive report on contract management; the report should reflect a consolidated list of existing contracts, contracts that were coming to an end, reasons for late awarding of contracts and consequence management plans thereof.

RESOLVED:

That the Chief Financial Officer to submit, at the next ordinary meeting of MPAC, a comprehensive report on contract management; the report should reflect a consolidated list of existing contracts, contracts that were coming to an end, reasons for late awarding of contracts and consequence management plans thereof.

3.3 Appendix A: Councillors; Committee Allocation and Council Attendance

NOTED

3.4 Appendix E: Ward Reporting

NOTED

3.5 Appendix J: Disclosures of Financial Interest

NOTED

The meeting terminated at 12:40.

CHAIRPERSON

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

(Meeting held 7 June 2022)

PRESENT: Councillor K Ngqisha (Chairperson)

Councillor M J Figg
Councillor L P Grootboom
Councillor F Hermaans
Councillor N I Maswana
Councillor M K Mogatosi
Councillor H Müller
Councillor X L Notshe
Councillor N E Nqakula
Councillor B S Pegram
Councillor L Peter
Councillor N Qwazi
Councillor M G Steyn
Councillor I L Van Wyk

ALSO PRESENT: Chief Financial Officer
Executive Director : Corporate Services
Executive Director: Public Health
Executive Director: Human Settlements
Acting Executive Director: Roads and Transport (Mr Y Gaffure)
Acting Executive Director : Economic Development, Tourism and
Agriculture (Mr M Jonas)
Senior Director: Revenue Management (Mr M Nogqala)
Senior Director: Water and Sanitation (Mr B Martin)
Deputy Director : Monitoring and Evaluation (Dr W Obeng)
Chief Financial Officer: MBDA (Ms K Mgijima)
Manager : Monitoring and Evaluation (Office of the COO) (Ms M Mrubata)
Manager : Committee Services (Mr J Sigonyela)
Risk Manager: MBDA (Mr K Swart)
Performance Management Practitioner (Ms M Randeria)
Performance Management Practitioner (Ms N Goqoza)
Acting Chief Committee Officer (Mr J Hoosain)
Committee Officer (Mr O Bingwa)
Secretary : Office of MPAC (Ms L Ngaphi)

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

No applications for leave of absence were received.

Apologies were received from:

Councillor N N Koko.

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

RESOLVED:

That the Minutes of Proceedings of the Municipal Public Accounts Committee at its meetings held on 12 May 2022 and 16 May 2022, as circulated, be hereby confirmed.

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

5. 2020/21 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1)

5.1 Chapter 1 (Component B): Executive Summary

The committee noted and commended progress on the following matters:

- Drilling of Boreholes
- Upgrading of parks

The following issues were raised as concerns:

- Electricity Revenue
- Water Revenue
- Rental of Municipal Facilities & Equipment

It was indicated that poor management was the result of the deteriorating situation in respect of collecting revenue for both water and electricity.

However, it was explained that a task team was established to deal with billing issues and that same had developed a plan to improve revenue collection.

The Executive Director: Electricity and Energy was requested to submit a comprehensive report on practical interventions, with specific plans to deal with electricity losses.

With regards to water revenue, it was suggested that the Municipality should consider increasing spending on repairs and maintenance as water leaks were the result of ageing infrastructure. Consequently, the Senior Director: Water and Sanitation (Mr Barry Martin) was requested to submit a detailed report on water challenges in order for MPAC to provide assistance thereon.

In respect of rental of municipal facilities and equipment, the committee was of the view that there were municipal owned properties that did not reflect on the municipal database. Secondly, several leased properties did not have contracts in place. The Executive Director: Corporate Services was requested to submit a report on municipal properties. The report should reflect an updated list of municipal facilities, purpose of usage, revenue, and the type of agreement or contract.

RESOLVED:

- a) That the Executive Director: Electricity and Energy was requested to submit a comprehensive report on practical interventions, with specific plans to deal with electricity losses.
- b) That the Senior Director: Water and Sanitation (Mr Barry Martin) was requested to submit a detailed report on water challenges for MPAC to provide assistance thereon.
- c) That the Municipality increase spending on Repairs and Maintenance beyond 3.5%.
- d) That the Executive Director: Corporate Services was requested to submit a report on municipal properties.
- e) That the report per (d) above reflect an updated list of municipal facilities, purpose of usage, revenue, and the type of agreement or contract.

5.1.1 Other Matters of Concern

- Unspent DORA Operating Grants
- Employee Related Costs

RESOLVED:

- a) That the Acting Director: Roads and Transport provide a report on the Public Transportation Network Operations and the reasons for the unspent grant of R93,172,582.
- b) That the Executive Director: Human Settlements submit a report on Human Settlements Development Grant of R1,247,571 as well as the Provincial Department of Human Settlements (Accreditation Grant) of R1,973,952 and the reasons for non-spending thereof.

- c) That the Acting Executive Director: EDTA provide a report on the European Union Grant (3rd Tranche) of R1,744,599 and the reasons for non-spending thereof.
- d) That the Acting Executive Director: Sport, Recreation, Arts and Culture submit a report on Provincial Department Agency: Communication Grant of R872,781 and the reasons for non-spending thereof.
- e) That the Executive Director: Corporate Services submit a comprehensive report on Overtime including details on the Overtime Policy and Legislation.

The Chairperson at this stage requested a comfort break.

(Meeting adjourned at 13:47 and reconvened at 14:04)

5.2 High Energy User Group Electricity Tariff Dispute

This item was tabled at the meeting.

Following deliberations on the item, the committee was of the view that the parties involved herein should convene discussions and reach a consensus.

RESOLVED:

- c) That the City Manager, Chief Financial Officer and Executive Director: Electricity and Energy facilitate discussions with the High Energy User Group and resolve the long outstanding tariff dispute.
- d) That the Chief Financial Officer provide an update on Legal Fees in respect of this matter at the next meeting of MPAC.

The meeting terminated at 15:00

CHAIRPERSON

MINUTES OF PROCEEDINGS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

(Special Meeting held 19 July 2022)

PRESENT: Councillor K Ngqisha (Chairperson)

Councillor L P Grootboom
Councillor F Hermaans
Councillor M K Mogatosi
Councillor H Müller
Councillor X L Notshe
Councillor N E Nqakula
Councillor B S Pegram
Councillor L Peter
Councillor N Qwazi
Councillor M G Steyn
Councillor I L Van Wyk

ALSO PRESENT: City Manager

Chief Financial Officer
Executive Director : Corporate Services
Executive Director: Public Health
Executive Director: Human Settlements
Executive Director: Electricity and Energy
Acting Executive Director: Roads and Transport (Mr Y Gaffure)
Acting Executive Director: Safety and Security (Mr S Brown)
Acting Executive Director: Economic Development, Tourism and
Agriculture (Mr M Pebane)
Acting Chief Executive Officer: MBDA (Mr M Mokonyana)
Senior Director: Revenue Management (Mr M Nogqala)
Senior Director: Water and Sanitation (Mr B Martin)
Director: Support Services (Infrastructure and Engineering) (Ms N Kazi)
Acting Director: Office of the City Manager (Ms T Shabudien)
Deputy Director : Monitoring and Evaluation (Dr W Obeng)
Chief Financial Officer: MBDA (Ms K Mgijima)
Manager : Committee Services (Mr J Sigonyela)
Operations Executive: MBDA (Ms D Hendricks)
Risk Manager: MBDA (Mr K Swart)
Committee Officer (Mr O Bingwa)
Secretary : Office of MPAC (Ms L Ngaphi)

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

No applications for leave of absence were received.

Apologies were received from:

Councillors M J Figg, N N Koko & N I Maswana.

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

RESOLVED:

That the Minutes of Proceedings of the Municipal Public Accounts Committee at its meetings held on 7 June 2022, as circulated, be hereby confirmed.

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

6. 2020/21 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1)

6.1 Chapter 3 (Service Delivery Performance Report)

The Committee commended progress on areas where good service performance had been achieved, however concerns were raised from the following areas:

6.1.1 Number of dwellings provided with connections to the main electricity supply by the municipality (KPI No.1 of the Scorecards)

In response to a query regarding progress status on the process of appointing a panel of attorneys to deal with the issue of illegal occupation of land (invasion), the City Manager confirmed that the panel had been appointed and that she would liaise with the Executive Directors for Human Settlements and Electricity and Energy to ensure that corrective measures as stated in the report in respect of this item were carried through. In addition, the Committee requested that the

Executive Director: Electricity and Energy should submit a progress report to assess the developments herein.

RESOLVED:

That the Executive Director: Electricity and Energy submit a progress report in respect of this item at the next meeting of MPAC.

6.1.2 Percentage of known informal settlements receiving integrated waste handling services (KPI No.7 of the Scorecards)

The following were highlighted as major challenges that hampered the progress of ensuring waste and refuse collection, particularly in the informal settlements.

- Trucks shortages
- Illegal dumping
- Excessive costs of utilising wheely-bins instead of refuse plastic bags
- Poor workshop conditions where municipal trucks and vehicles were serviced
- Lack of capacity

The Executive Director: Public Health was requested to draft a turn-around strategy plan to address the issues around waste removal, and that same be submitted to the Public Health Standing Committee for implementation and monitoring.

RESOLVED:

- (c) That the Executive Director: Public Health drafts a turn-around strategy plan to address the issues around waste removal, and that same be submitted to the Public Health Portfolio Committee for implementation and monitoring.
- (d) That a progress report per (a) above form part of MPAC's quarterly reports for oversight purposes.

6.1.3 Percentage compliance with the required attendance time for structural firefighting incidents (KPI No.10 of the Scorecards)

The Committee expressed dissatisfaction regarding targets that were not met in respect this item, this meant that the lives of the residents in the Nelson Mandela Bay were in danger because firefighters did not arrive on time for firefighting incidents.

The Acting Executive Director: Safety and Security, Mr Shane Brown was requested to submit a report consisting of mitigating factors to ensure the 14 minutes response time for structural firefighting incidents.

It was also noted that critical vacancies in the fire fighting unit had not been filled, consequently, the Executive Director: Corporate Services was requested to submit an updated progress report on the filling of vacancies.

RESOLVED:

- (a) That the Acting Executive Director: Safety and Security submits a report consisting of mitigating factors in ensuring the 14 minutes response time structural firefighting incidents at the next meeting of MPAC.
- (b) That the Executive Director: Corporate Services submits an updated progress report on the filling of vacancies at the next meeting of MPAC.

6.1.4 Number of scheduled public transport access points added (KPI No.16 of the Scorecards)

The Committee expressed concerns regarding contractors who did not perform adequately including lack of contract management amongst various directorates.

It was also advised that ward councillors should be informed about projects that would be implemented in their respective wards to avoid misunderstanding within the communities. This follows after it was highlighted that some projects were delayed by protests and interruptions by community members and SMMEs'.

RESOLVED:

That ward councillors be informed about projects taking place in their respective wards to avoid misunderstanding within the communities.

6.1.5 Percentage of complaints/callouts responded to within 24 hours (sanitation/wastewater) (KPI No.24 of the Scorecards)

Targets that were not met in respect of this item were of serious concern.

The City Manager explained that an extensive amount of work had been done and corrective measures were in place to ensure effectiveness in dealing with water leaks. However, she highlighted that there had been minimal attention towards sanitation due to the urgent need to deal with rising water losses. In addition, it was indicated that, for MPAC to assess the developments in addressing water losses, the Senior Director: Water and Sanitation would provide a comprehensive report, detailing the municipality's efforts to deal with water leaks and addressing the issue of water losses.

RESOLVED:

That the Senior Director: Water and Sanitation, Mr Barry Martin, submits a comprehensive report, detailing the municipality's efforts to deal with water leaks and addressing the issue of water losses to the next meeting of MPAC.

6.1.6 Percentage of the municipality's operating budget spent on free basic services to indigent households (KPI No.34 of the Scorecards)

The Chief Financial Officer was requested to provide an update on whether there had been any improvement in respect of this item and the projected targets for the current financial year (2022/23).

RESOLVED:

That the Chief Financial Officer provide an update on the improvement status in respect of the budget spent on free basic services to indigent households and the targets for the 2022/23 financial year at the next meeting of MPAC.

6.1.7 Percentage of the municipality's capital budget actually spent (KPI No.40 of the Scorecards)

It was reported that the underperformance herein was due to the lockdown that was in place from March 2020, this resulted in grants being delayed which had a negative impact on the budget.

NOTED

6.1.8 Staff vacancy rate (KPI No.42 of the Scorecards)

The Committee expressed serious concerns regarding high vacancy rate within the municipality, it was indicated that service delivery was ineffective because of lack of capacity, particularly in critical areas or position.

The effectiveness of the Critical Vacancy Steering Committee was also of serious concern; citing that there was no progress in the filling of critical vacancies in the municipality.

The Executive Director: Corporate Services was requested to incorporate in the report per **Min No.6.1.3** above and highlight challenges in the filling of vacancies.

RESOLVED:

That the Executive Director: Corporate Services incorporate in the report per **Min No.6.1.3 of agenda dated 19 July 2022** and highlight the challenges in the filling of vacancies.

6.1.9 Percentage of wards where at least one councillor convened community meeting was held (KPI No.44 of the Scorecards)

In response to query regarding the performance herein, the Executive Director: Corporate Services indicated that there was no portfolio evidence to prove that meetings were taking place; this included notices of meetings, attendance registers and minutes of the proceedings of meetings. Consequently, it was agreed that a workshop in respect of this KPI should be arranged to educate councillors thereof.

RESOLVED:

That the City Manager facilitate workshop in respect of the KPI pertaining to the percentage of wards where at least one councillor convened community meeting was held, to educate councillors on their responsibilities.

6.1.10 Number of repeat audit findings (KPI No.45 of the Scorecards)

The Committee expressed serious concerns in respect of recurring audit findings.

The City Manager was requested to submit an Audit Action Plan to MPAC and that same should have time frames including the responsible directorate for each item.

RESOLVED:

That the City Manager submits an Audit Action Plan to MPAC and that same should have time frames including the responsible directorate for each item.

6.2 MBDA Performance Report

6.2.1 Completing the Helenvale Pedestrian Route (KPI No.2 of the MBDA Scorecard)

The Committee expressed serious concerns regarding SMMEs that were delaying projects. It was highlighted that there was a criminal element that sought to hold the municipality hostage and that same should be dealt with accordingly. The MBDA was advised to report all criminal acts by either the community members or SMMEs to the authorities. The Committee also commended the manner in which the entity had dealt with the SMME related issues and ensuring that projects were carried out even under difficult circumstance.

NOTED

6.2.2 Percentage of the Schauderville Moore Dyke Sport Precinct Upgrades and Renovation completed (KPI No.3 of the MBDA Scorecard)

Objections that were delaying the processes of implementing projects were of concern.

However, it was explained that the MBDA had ultimately dealt with the objection herein.

NOTED

6.2.3 Percentage completion of the Uitenhage Railway Sheds/ Science Centre Precinct development (KPI No.5 of the MBDA Scorecard)

It was indicated that under performance herein was the result of lack of capacity, however all the issues and challenges around this project were resolved and that phase 1 of same was being completed. It was added that the project was far from completion, however there was progress in the implementation thereof.

NOTED

**6.2.4 Percentage of Mandela Bay Development Agency's Capital Budget Actually Spent
(KPI No.12 of the MBDA Scorecard)**

It was explained that the following challenges impacted on the spending of the provided Capital Budget:

- Project Delays due to objections and SMME related protests.
- Instability of the MBDA Structure.

It was further indicated that the entity was dealing with the abovementioned challenges and that results would be evident in due course.

It was also highlighted that the figures that reflected herein did not reflect the operational spending of the entity, consequently, the MBDA was requested to submit a cost breakdown on Capital and Operational spending during the 2020/21 financial year.

RESOLVED:

That the MBDA submit a cost breakdown on Capital and Operational spending in the 2020/21 financial year.

The meeting terminated at 13:12

CHAIRPERSON

APPENDIX “B”:

**Advertisements/Invitations to the public to comment /
attend meetings where the 2020/21 Annual Report will
be discussed**

Coffee, cake and crypto — that's what's hip at this eatery

Jiraporn Kuhakan and Vorasit Satienlerk

A cafe in northeast Thailand has become home to cryptocurrency traders, adding banks of screens showing the latest market moves and dishing out investment advice alongside coffee and cake.

Behind a calm exterior of cherry blossom trees, customers of HIP Coffee & Restaurant stare at their laptops, sipping nervously on iced coffee — part of a surging interest in digital assets in Thailand that has regulators worried.

Cryptocurrencies have been gaining momentum in Thailand, with as much as 251-bil-

assets traded in November.

Last month, Thailand said it would start to regulate the use of digital assets as payments, warning of potential risks to financial stability and the overall economic system.

HIP, which has been around since 2013, got its crypto makeover in 2020. Since then, according to staff, its customers have doubled.

Manager Oakkharawat Yongsakuljinda said the cafe provided alternative investment opportunities for people in the surrounding Nakhon Ratchasima province.

It offers free investment consulting and is planning its own cryptocurrency coin. —

The Herald

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nelson mandela bay MUNICIPALITY

NOTICE

2020/21 ANNUAL REPORT AND 2021/22 MID-TERM REPORT
OPEN FOR INSPECTION

The 2020/21 Draft Annual Report and 2021/22 Mid-term Budget and Performance Assessment Report of the Nelson Mandela Bay Metropolitan Municipality were tabled in Council on 27 January 2022. The 2020/21 Draft Annual Report was referred to the Municipal Public Accounts Committee (MPAC) for review. **The Municipality hereby invites comments from the public on these reports.**

In addition, the Oversight Report on the 2019/20 Annual Report was also approved by Council.

The reports are available for inspection at municipal Libraries and Customer Care Centres. The reports have also been published on the municipal website: 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 e-mail: coo@mandelametro.gov.za by not later than **MONDAY, 28 FEBRUARY 2022**.

Comments may also be submitted through the NMBM Mobile Application, available on selected mobile play stores. Open the NMBM Mobile Application, click on 'Public Comment', then select the 'MPAC' icon. Complete the comments form and press 'Submit'.

Ref 18 - 1 February 2022

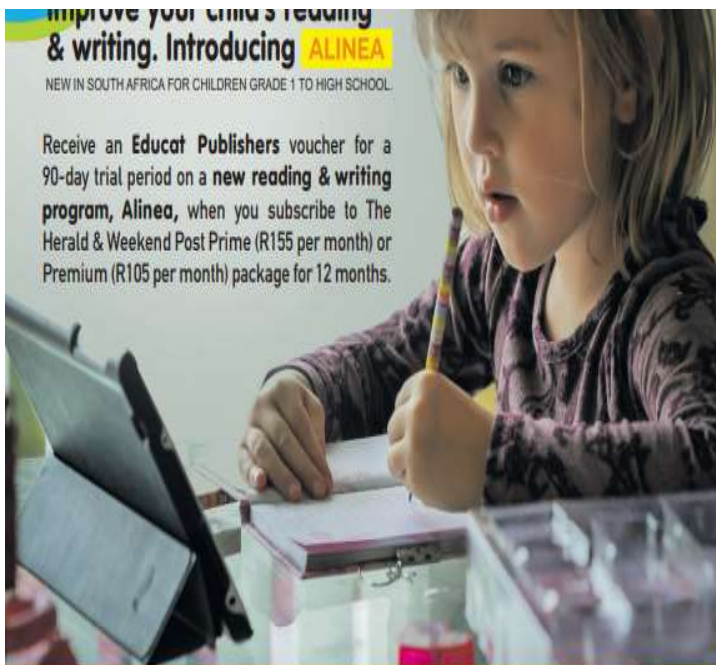
Under the hand of the Acting City Manager, Dr. Noxolo Nqwazi

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nelson mandela bay MUNICIPALITY | **NOTICE**

2020/21 ANNUAL REPORT OPEN FOR INSPECTION

The 2020/21 Draft Annual Report of the Nelson Mandela Bay Metropolitan Municipality was tabled in Council on 27 January 2022. The 2020/21 Draft Annual Report was referred to the Municipal Public Accounts Committee (MPAC) for review. The Municipality hereby invites comments from the public on the 2020/21 Annual Report.

Copies of the 2020/21 Annual Report are available for inspection at all municipal libraries and customer care centres, as well as on the municipal website: www.nelsonmandelabay.gov.za.

Any comments on the 2020/21 Annual Report should be submitted to the Office of the City Manager (Attention: Chief Operating Officer) at PO Box 116, Port Elizabeth 6000 or e-mail: ceo@mandelametro.gov.za by not later than **THURSDAY, 30 JUNE 2022**.

The schedule of meetings of the Municipal Public Accounts Committee where the 2020/21 Annual Report will be discussed, is as follows:

DATE	TIME	VENUE
Monday, 16 May 2022	10:00	Council Chambers, City Hall
Tuesday, 07 June 2022	10:00	Council Chambers, City Hall
Friday, 17 June 2022	10:00	Feather Market Centre
Tuesday, 05 July 2022	10:00	Feather Market Centre
Tuesday, 26 July 2022	10:00	Council Chambers, City Hall

Members of the public are welcome to attend any of the scheduled oversight meetings of the Municipal Public Accounts Committee as observers.

Ref. 64 - 16 May 2022

Under the hand of the City Manager: Dr. Naxola Ngwazi

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www.nelsonmandelabay.gov.za | 0204 610000

searchers said.

The average hotel price was listed as R1,190 (\$75) per night.

Tirana was feted as the cultural and economic hub of Albania, described now as "a far cry from the grey buildings that once characterised the city".

Bali's Denpasar is a travel hub connecting island hotspots in Indonesia and gets about 8.6 hours of sunshine a day.

Many of the destinations listed are magnets to backpackers and shoestring travellers — for example, numbers nine and 10, Goa in India and Phuket in Thailand respectively.

For years, Thailand has been an affordable destination for South Africans, given its favourable exchange rate, unlike several of SA's neighbouring countries which charge dollars for safaris, for example, Botswana.

Surprisingly — given the strength of the euro to the rand — eating, drinking and being merry in a sunny European country such as Spain proved to be cheaper than in SA.

Unsurprisingly then, sunny and affordable Spain appears more often than any other country on the list — with seven destinations named.

Spain is also one of the most vaccinated countries against coronavirus in the world, with almost 85% of Spaniards having had their jabs.

To escape the winter (and load-shedding) blues, you will need to go further than Joburg — *TimesLIVE*

Only four other African countries made it into the list of 46 cheap, sunny destinations — Egypt (Cairo), Tanzania (Zanzibar), Morocco (Marrakesh) and Mauritius (Belle Mare).

Jara-Lee Dorfling

Met heelwat minder as die helfte van die vereiste getal brandweerwaens in die Oos-Kaap wat in 'n werkende toestand is, is daar groot kommer oor dié provinsie se gereedheid vir 'n ramptoestand.

Gegrono op die Oos-Kaapse bevolking moet die provinsie 164 brandweerwaens hê. Daar is egter net 97 brandweerwaens, waarvan net 68 in werking is.

Xolile Ngqatha, LUR vir samewerende regering en tradisionele sake (Cogta), het dié syfers onlangs in die provinsiale wetgewer bekend gemaak nadat die DA skriftelike vrae aan hom gerig het.

Veral ná die skade van die vloedramp in April in KwaZulu-Natal en lele van die Oos-Kaap, meen die DA daar moet aandag gegee word aan die Oos-Kaap se gereedheid om op 'n ramp te reageer.

Vicky Knoetze, DA-woordvoerder van Cogta in die provinsie, het die tekort aan brandweerwaens as skokkend bestempel, veral omdat 11 munisipaliteite wat wel volledige brandweerstasies het geen brandweerwaens het nie.

"Dit laat die Oos-Kaap in 'n posisie waar ons nie doeltreffend sal



Vicky Knoetze Foto: VERSKAF

kan reageer sou daar 'n provinsiale ramptoestand plaasvind of 'n ramptoestand wat verskeie munisipaliteite raak nie," het Knoetze gesê.

Die Oos-Kaapse regering is die afgelope jaar telkens gekritiseer oor sy tekort aan brandweerwaens en toerusting wanneer inwoners moet help om brande by geboue in bedwang te bring.

In die mees onlangse voorval het inwoners van Fort Beaufort verlede week gehelp om 'n brand in die geskiedkundige Nuns Court-gebou te blus en gesê 'n brandweertwa



Cogta het die afgelope drie boekjare geen begroting beskikbaar gestel aan rampbestuur nie.

– VICKY KNOETZE

eers sowat twee uur later by die toneel aangekom.

Ook in Februarie in Komani het die gemeenskap ingespring om 'n brand te help bestry wat by 'n sakepark uitgebreek en skade van sowat R80 miljoen aangerig het.

Knoetze het verder haar kommer uitgespreek daarvoor dat nie alle munisipale rampbestuursentrums voldoende toegerus is om hul mandaat uit te voer nie weens 'n tekort aan geld.

"Trouens, Cogta het die afgelope drie boekjare geen begroting beskikbaar gestel aan rampbestuur nie."

Navrae aan die Oos-Kaapse rampbestuursentrum is na die provinsiale Cogta verwys.

Mamkeli Ngam, 'n provinsiale Cogta-woordvoerder, beaam dat die rampbestuursentrum se probleem met geld oor die afgelope drie jaar negatiewe gevolge gehad deurdat die departement nie tashare ondersteuning aan munisipaliteite kon bied nie.

Hy het dit toegeskryf aan 'n kleiner nasionale begroting asook die onvermoë van die distriks- en plaaslike munisipaliteite om hul eie inkomste te genereer.

"Die provinsiale rampbestuursentrum is onder meer besig met 'n ramprisiko-assessering."

Met verwysing na die tekort aan brandweerwaens sê Ngam dat Cogta op verskeie gebiede help met samewerkingsooreenkomste tussen branddienste en 'n spesifieke streek om mekaar te help met die voorbereiding en reaksie op brande.

"Cogta en die tesourie sal saamwerk aan 'n provinsiale finansieringsplan wat deur die uitkomste van 'n assessering van die situasie gedryf word sodat munisipaliteite die nodige ondersteuning kry," sê hy.

Knoetze het bygevoeg die DA sal die kwessie van rampgereedheid in die provinsiale wetgewer dryf.

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nelson mandela bay MUNICIPALITY KENNISGEWING

2020/21 JAARVERSLAG LÊ TER INSAE

Die 2020/21 Korsejaarsverslag van die Nelson Mandelabaai Metropolitaanse Munisipaliteit is op 27 Januarie 2022 in die Raad ter tafel gelê. Die 2020/21 Korsejaarsverslag is na die Munisipale Openbare Aanspreeklikheidskomitee (MPAC) – Municipal Public Accounts Committee verwys vir hersiening. Die Munisipaliteit nodi die publiek hiermee om kommentaar te lewer op die 2020/21 Jaarverslag.

Afskrifte van die 2020/21 Jaarverslag lê by alle munisipale biblioteke en klientdiensentrums ter insae, en is ook beskikbaar op die munisipale webtuiste: www.nelsonmandelabay.gov.za.

Enige kommentaar op die 2020/21 Jaarverslag moet gerig word aan die Kantoor van die Stadsbestuurder (Aandag: Hoofbedryfsbeampte) by Posbus 116, Port Elizabeth 6000 of e-pos: cco@mandelametro.gov.za teen nie later nie as **DONDERDAG, 30 JUNIE 2022**.

Die skedule van vergaderings van die Munisipale Openbare Aanspreeklikheidskomitee waarop die 2020/21 Jaarverslag bespreek sal word, is soos volg:

DATUM	TYD	LOKAAL
Maandag, 16 Mei 2022	10:00	Raadskamer, Stadhuis
Dinsdag, 07 Junie 2022	10:00	Raadskamer, Stadhuis
Vrydag, 17 Junie 2022	10:00	Veremarsentrum
Dinsdag, 05 Julie 2022	10:00	Veremarsentrum
Dinsdag, 26 Julie 2022	10:00	Raadskamer, Stadhuis

Lede van die publiek is welkom om enige van die geskeduleerde oorsigvergaderings van die Munisipale Openbare Aanspreeklikheidskomitee as waarnemers by te woon.

Verw. 64 – 16 Mei 2022

Onder die hand van die Stadsbestuurder, Dr. Naxolo Nqwazi

DIE STAD IS DROOG! SPAAR WATER OM COVID-19 TE KLOP!

BLAD PREKATE 361