No. 34

MINUTES

OF

ETHEKWINI MUNICIPAL COUNCIL

Meeting held on Thursday, 2018-05-31T10:00,
City Hall Main Auditorium, Church Walk, Durban

PRESENT:

ABSENT:
Councillors TJT Cibane (On Leave – Indisposed), GT De Lange (On Leave), R Gokool (On Leave – Indisposed), NC Gumede (On Leave), S Khuzwayo (On Leave – Indisposed), TP Mfusi (On Leave – Indisposed), S Mkhize, E Mngadi (On Leave), NE Mthembu, ON Mthembu (On Leave – Indisposed), BP Ndlela, AB Ndlovu (On Leave), ZS Ndzoyiya (On Leave – Indisposed),
S Ngema (On Leave), PH Nxumalo (On Leave – Indisposed), BP Phungula, 
JP Prinsloo, B Shabane, BP Shozi (On Leave), C Xesibe (On Leave), 
MBR Zuma (On Leave) and TG Zungu.

AMAKHOSI 
PRESENT : Inkosi VR Cele, Inkosi NC Maphumulo, Inkosi DZ Mkhize, 
Inkosi KT Mkhize, Inkosi RF Mthembu, Inkosi EB Shozi and 
Inkosi MJ Ngcobo.

AMAKHOSI 
ABSENT : Inkosi BF Bhengu, Inkosi TF Gwala, Inkosi NM Hlengwa 
(On Leave - Indisposed), Inkosi PP Luthuli, Inkosi KS Makhanya, 
Inkosi LD Mkhize, Inkosi TBE Mkhize, Inkosi S Mlaba (On leave), 
Inkosi MB Ngcobo and Inkosi JP Shangase

OFFICIALS 
PRESENT : Messrs/Mesdames SC Nzuza (City Manager), S Shezi (Acting Head: Legal 
Services and Compliance), BM Mhlongo (Deputy Head: Office of the 
Speaker), KR Ramsunder (Chief Committee Officer) and S Ramgolam 
(Principal Committee Officer).

(At the commencement of the meeting 189 Councillors were present, comprising ANC – 112, 
DA - 54, IFP - 8, EFF - 6, INDEPENDENT - 1, AIC - 2, ACDP – 1, MF - 1, DLC - 1, TA- 1, 
MOSA – 1, APC - 1 and AL JAMA-AH - 0).

1. NOTICE CONVENING THE MEETING

The City Manager read the Notice convening the meeting as per the statutory 
requirement.

2. OPENING

The Speaker declared the meeting open and extended a warm welcome 
to Her Worship the Mayor, the Deputy Mayor; Members of the Executive 
Committee; Honourable Councillors and Traditional Leaders; Distinguished Guests; 
City Manager; Deputy City Managers and Heads present; Legal Services and 
Compliance officials; Media; Members of the Public and Members of the 
Administration.

3. AFRICAN UNION AND NATIONAL ANTHEM

At the request of the Speaker the meeting stood to sing the African Union Anthem 
and the National Anthem of the Republic of South Africa. The African Union was 
sung by the Clermont Choir and the SAPS Band rendered the National Anthem of 
the Republic of South Africa.
4. OPPORTUNITY FOR PRAYER/MEDITATION

The Speaker requested Council to observe a moment’s silence for all those who had passed on.

5. OFFICIAL ANNOUNCEMENTS

Due to time constraints based on the fact that the first session of Council had been set aside for the Mayoral State of the City Address, the official announcements were not presented by the Speaker.

6. SPEAKER’S REPORT

Due to the fact that the first session of Council had been set aside for the Mayoral State of the City Address, the Speaker could not table his report since the second session commenced late.

7. APPLICATIONS FOR LEAVE OF ABSENCE

RESOLVED:

The following Councillors and Amakhosi were granted leave of absence as indicated:-

COUNCILLORS

Councillor MA Ally : Request to leave at 15:30
Councillor J Annipen : Request to leave at 15:00
Councillor S Bhanprakash : 2018-06-13 to 20 (Overseas Trip)
Councillor SS Buthelezi : 2018-05-29 (Indisposed)
Councillor TJT Cibane : 2018-05-31 (Indisposed)
Councillor G De Lange : 2018-05-23 to 31 (Study Leave)
Councillor R Gokool : 2018-05-31 (Indisposed)
Councillor NC Gumede : 2018-05-31 (Personal Commitments)
Councillor S Hoosen : Request to leave at 13:30
Councillor NB Iyir : 2018-06-10 to 07-10 (Personal Commitments)
Councillor S Khuzwayo : 2018-05-31 to 06-15 (Indisposed)
Councillor TN Mabanga : Request to leave at 14:30
Councillor V Mbanjwa : Request to leave at 14:30
Councillor TP Mfusi : 2018-05-14 to 31 (Indisposed)
Councillor BA Mkhize : 2018-05-29 to 06-01 (Indisposed)
Councillor E Mngadi : 2018-05-31 (Personal Commitments)
Councillor SV Mngadi : 2018-05-21 to 06-06 (Study Leave)
Councillor ON Mthembu : 2018-05-29 to 06-05 (Indisposed)
Councillor BD Naidoo : Request to leave at 15:30
Councillor AB Ndlovu : 2018-05-25 to 06-06 (Study Leave)
Councillor ZS Nzloyi : 2018-05-01 to 05-31 (Indisposed)
Councillor S Ngema : 2018-05-31 (Personal Commitments)
Councillor TT Ngubane : Request to leave at 15:20
Councillor HP Nxumalo : 2018-05-31 (Indisposed)
Councillor N Nxumalo : 2018-05-28 to 06-02 (Study Leave)
Councillor Peer : Request to leave at 15:00
Councillor A Shaheed : Request to leave at 13:30
Councillor BP Shozi : 2018-05-31 to 06-01 (Personal Commitments)
Councillor HP Shozi : Request to leave at 14:15
Councillor C Xesibe : 2018-05-31 (Personal Commitments)
Councillor MBR Zuma : 2018-05-31 (Personal Commitments)

AMAKHOSI

Inkosi S Mlaba : 2018-05-31 (Provincial Meeting)
Inkosi N Hlengwa : 2018-05-31 (Indisposed)

(It is recorded that although Councillor BA Mkhize had submitted an application for leave in view of his indisposition, he was present at the meeting).

(At this stage of the proceedings, Her Worship the Mayor, Councillor ZRT Gumede proceeded to the Podium to deliver her maiden State of the City Address which is attached to these Minutes. Prior to her commencement, the EFF advised that they wished to table a motion. The Speaker advised that he would not allow any motions to be tabled at this juncture as Her Worship the Mayor was about to deliver her Address).

Her Worship the Mayor commenced her speech by echoing the sentiments of the newly elected President, Mr Cyril Ramaphosa, that the nation was unified in its commitment to work together to fast track service delivery, alleviate poverty and build a society that was defined by decency and integrity and would not plunder public resources, nor tolerate fraud and corruption by corporate criminals.

As the year 2018 was dedicated to the centenary birth of one of the greatest leaders this country and the continent had known, the late Nelson Rolihlahla Mandela and also the struggle icon Mama Albertina Sisulu, Her Worship the Mayor emphasised the focus on improving the lives of citizens and striving in the quest for a democratic, free, non-sexist and non-violent South Africa. The fight against crime and abuse against women and children would continue and every endeavor would be made to reclaim the streets and town. The cleanliness of the Inner City was being addressed with a successful pilot project having been undertaken in the suburb of Isipingo. In addition to fighting the criminal element all energies would be extended to remove corruption with stringent measures by means of credible audits and investigations and zero tolerance would be shown to interference and intimidation in the external Audit process.

(At this juncture, following repeated interjections by the EFF to table their motion which had not been allowed, six Members of the EFF who were present, left and abandoned the meeting).

Proceeding with the speech, Her Worship the Mayor was pleased to announce that eThekwini Municipality had received an unqualified audit, with the Municipal entities, ie; Durban ICC and Ushaka Marine World having both received clean audit outcomes for the 2016/2017 Financial Year. On the state of the economy she was proud that eThekwini had been rated as the most liveable City in South Africa in terms of its environment, warm weather and friendly people. The long-term challenges facing the country include the creation of a stronger, more inclusive and resilient economy with cognizance being taken of the key sectors contributing to KwaZulu-Natal’s economy, namely; manufacturing, construction, transport, finance and tourism amongst others.
Her Worship the Mayor pointed out that the budget was being tabled against the backdrop of slow economic growth whereby tough choices would need to be made to achieve the development outcomes for the City. Given that economic challenges would continue to impact adversely on Municipal revenue generation and collections, a conservative approach had been adopted when projecting expected revenues and collections. Having said that, she was proud to present a balanced and fully funded budget that would ensure delivery in terms of the needs as identified in Council’s Integrated Development Plan and further ensure the viability and sustainability of the Municipality. Noteworthy was that service delivery would be sustained by the reprioritisation of expenditure to ensure that key objectives were achieved.

Her Worship the Mayor elaborated on the various tariffs, also mentioning increases in certain areas of service delivery. She highlighted issues pertaining to austerity measures that would be implemented, major sources of revenue, job creation and Catalytic Projects. She elaborated on Radical Economic Transformation, the Raset Programme, Township Development, Tourism and Inner City Regeneration.

Her Worship the Mayor provided feedback on implementation of the following:

- Single number to access contact centres
- Mayoral hotline
- Erection of Statues commemorating the late Presidents OR Tambo and NR Mandela
- Rebranding of the City
- Smart City initiatives
- Invest Durban
- Moja Cruise to transform public transport
- Issuing of Title Deeds for Council owned houses

She spoke of challenges in terms of project stoppages, rapid urbanization, Revenue Management System, climate change and land invasion that ought to be addressed expeditiously.

Her Worship the Mayor reported on the successful Budget Hearings convened, whereby all questions/issues raised by the public had been documented together with responses by Councillors and Officials alike. Many of the issues raised related to, amongst others, housing, traffic calming and bridges, electricity connections, water leaks, safety and security, ablution facilities, job creation and youth development.

Her Worship the Mayor thanked the public for participating and attending the budget roadshows and in an attempt to address issues raised, she undertook to establish a Mayoral Prioritization Committee that would handle the prioritization of service delivery issues and projects. She mentioned block sum allocations totalling R4billion over the MTREF period that would cover Electricity, Water & Sanitation, Solid Waste, Roads, Housing Interim Services, Health Transport and Parks and Recreation. She advised of a significant increase in the budget to capacitate youth.
Her Worship the Mayor concluded by thanking the Deputy City Manager: Treasury and his team for producing a well-balanced and credible budget. She also thanked her Staff, Office of the Speaker, Secretariat and the team involved in ensuring the success of the Imbizo and State of the City Address. She further expressed her appreciation to the City Manager, Deputy City Managers, CEOs of Municipal entities, the ANC leadership, her family and all those present.

Her Worship the Mayor relayed the affirmation from National Treasury that the budget was credible, reliable, funded and sustainable over the MTREF in terms of Section 18 of the Municipal Finance Management Act. She concluded with an inspiring quotation by the late President Nelson Mandela, quote, “A fundamental concern for others in our individual and community’s lives would go a long way in making the world the better place we so passionately dreamt of”.

(At this stage, Her Worship the Mayor proceeded to her seat. The Speaker referred the Council to item 15 of the Second Report of the Executive Committee, relative to Budget 2018/2019 – 2020/2021 (MTREF). Following discussion of item 15, details of which are reflected therein, the Council adjourned for lunch and resumed at 15:00).

8. CONFIRMATION OF MINUTES: Meetings held on 2018-04-26

RESOLVED:

That the minutes of the meeting of the eThekwni Municipal Council held on 2018-04-26, as circulated and taken as read, be and they are hereby confirmed.

9. QUESTIONS IN TERMS OF SECTION 27 OF THE RULES OF ORDER

The following Questions in terms of Section 27 of the Rules of Order were submitted:-

9.1 Questions submitted by Councillor S Ryley : Billboards Erected on Roads and Bridges within eThekwini (21/13/1/2/3):

This Council notes the public enquiries and outcry regarding the Strawberry Worx Billboards erected on KZN Department of Transport (DOT) roads and bridges within eThekwni such as the M4 and M13. These billboards have appeared with no known reference to any Council Committee. The advertising industry and general public remain confused with regard to the process followed in allowing these billboards to be erected.

In light of the above, I pose the following questions:

1. Did Strawberry Worx follow the necessary planning regulations for the billboards (static and electronic) in terms of the City’s Outdoor Advertising policy?

2. Did KZN DOT grant permission for the billboards?
3. Has the City consented and signed-off any of these applications off?

4. If not has the city put a stop to the current advertising on the static and electronic billboards erected by Strawberry Worx?

5. Has the city taken any legal action against Strawberry Worx?
   (a) If so, did the City win its legal application?

6. What is the cost to date of litigation, if any?

7. If litigation is taking place when will the next application be heard and what are the expected costs?

8. Has the City received any income at all from the Strawberry Worx Billboards?

9. If no income has been received what is the anticipated loss of revenue?

10. Does the City intend seeking a full removal of all erected Strawberry Worx Billboards infrastructure?
   (a) If no, what remedy is the City Seeking?

Councillor NI Madlala advised that the above-mentioned questions could not be answered at this stage as the matter was sub-judice and disciplinary processes were underway. Therefore it was prudent to await the conclusion of the two processes.

9.2 Questions submitted by Councillor SE Mhlongo: Fire Education Campaign to Informal Settlement (29/1/1/5):

The winter season is often a very busy time with numerous shack fires. More education of people is required to prevent fire.

I light of the above:

1. Has the City done any fire education campaign to informal settlements this year?

2. If any, how many informal settlements have been able to get education?

The following responses were provided:-

1. Informal Settlements Support Section has not conducted fire and safety training in informal settlements during the 2017-2018 Financial Year.

2. The Section met with the Fire Department on 24 May 2018 and agreed that the Fire Department will roll out training on fire safety in informal settlements, commencing in the week of 11 June 2018.

3. Fire and Emergency Services has only one Official dealing with outreach education which might have a negative impact on fast tracking delivery.
Questions submitted by Councillor J Annipen: Request for Street Name after Clergyman (25/4/15/R):

On the 21st of May 2001, one Mr. Freddy Hyman has made a request to this City to have a street named after revered Clergyman, Dr J.F. Rowlands. On the 31st of July 2007, the then Chairperson of the Infrastructure Committee, Councillor Visvin Reddy responded to Mr. Hyman confirming that the renaming committee had supported the name and an undertaking was given to Mr. Hyman to have Carlisle Street renamed instead.

Some 11 years later this commitment has not been kept.

It is against this back drop that I pose the following questions:

1. **Why is it taking so long to fulfil this Committee?**

2. **Does the City intend to keep its commitment to rename Carlisle Street after Dr. J.F Rowlands?**

3. **If not, why not?**

4. **If so, when is it expected to take place?**

The following responses were provided:

1. According to records of the 2008 Phase 2 of the street renaming project, different proposals were made by different people and organisations to the following street names:
   - Carlisle Street to Bethesda Street
   - Albert Street to JF Rowland Street
   - Albert Street to Ingcuce Street
   - Albert Street to John Rowland Street
   - Albert Street to Hilda Manyathi Street

2. The Carlisle Street proposal was made by a Mr Freddy Hyman. The Committee was tasked to oversee the process recommended of the change of Albert Street to Ingcuce, Carlisle Street was left unchanged. This recommendation was escalated to the Masakhane Council Committee which was tasked with the renaming project. The Committee approved the recommendation which was subsequently approved by Council.

3. After the finalisation of the 2008 street naming process, the Masakhane Committee recommended that all further street renaming proposals be considered as Phase 3 of the process which was going to be considered at a later stage.
9.4 Questions submitted by Councillor SV De Boer: Relocation of Polokwane Transit Camp for Formal Housing (22/4):

The residents living in the Polokwane transit camp in Westrich, Newlands West have been waiting some for more than 15 years to be relocated to formal housing. The allocation process has left them feeling uncertain about their future.

It is on this background I pose the following questions:

1. Have the residents of the Polokwane transit camp been notified of the allocation process? If yes, on which date did that meeting happen?
2. Does the housing department have a complete list of the families living in the Polokwane transit camp?
3. Where can these residents check the progress of their allocation?
4. On what basis is the allocation of houses to these residents being done?

The following respective responses were provided:-

1. Yes, PLO Lihle Mangqalaza from Northern region had a meeting with the Community and Ward Councillor, explaining all processes that was going to unfold. Several community meetings were held during 2017. The Ward Committee had also been engaged. The PLO also went door to door explaining the process to residents.

2. Yes, database is available from Informal Settlement Support section.

3. Phoenix Human Settlements is the nearest office, and the registration of the beneficiaries is done at the same office by Thobile Makhathini.

4. The priority was to make the sites available to the owners, such as

   a) Polokwane Main (248 units) and Polokwane Extension (50 units) – site was earmarked for economic development (Mall). All units have been vacated with 298 qualifying beneficiaries moved to Cornubia.

   b) Richmond – site was blocking the GO-Durban road development (Dumisani Makhaye). All 66 units have been vacated with 66 qualifying beneficiaries moved to Cornubia.

   c) Riverdene School site – to avail the site to Department of Education. of the 220 units, 96 have been vacated with 88 qualifying beneficiaries moved to Cornubia. The remaining residents will be relocated to Cornubia Phase 2, which is currently at design and planning stage. Construction is expected to begin mid-2019, with relocation taking place as and when houses are completed.
9.5 Questions submitted by Councillor MS Nkosi: Procurement of Non-stock Items (9/1/1):

Noting that eThekwini Municipality has paid two companies an amount close to R10 million each per month for non-stock items.

Can you please explain the following:

1. **How these companies have been getting work from the municipality?**
2. **What is a non-stock?**
3. **Why is there so much frequency of non-stock item transactions?**
4. **Who is responsible for authorisation of an approval of the purchase of non-stock items?**
5. **Which unit is responsible for the procurement of non-stock item services?**

The answering of the above-mentioned questions was DEFERRED to the next meeting of Council.

9.6 Questions submitted by Councillor GJ Hegter: Award of Contracts for Spraying of Weeds (9/1/1):

The contracts for the spraying of weeds on the road edges and verges has been problematic for some years. After a period of approximately 18 months of no spraying six co-operatives were awarded contracts to commence in October 2016. These contractors were issued with termination notices in November 2017 due to non-delivery. This has resulted in roads though out the city being unsightly and gutters being clogged with weeds.

1. **When will the awarding of the new contracts be finalised?**
2. **What measures have been implemented to ensure that the new contracts are going to be capable to fulfil the contract requirements?**
3. **What measures have been put in place to clear the gutters and verge of the overgrown vegetation?**
   i. **If none, why not?**

The following respective responses were provided:-

1. Five Co-ops were appointed in September 2016 on Expression of Interest, IS 16256, to undertake weed spraying. Three Co-ops are in the process of being terminated due to non-performance. Draft termination letters containing all relevant meeting dates, non-performance facts were submitted to SCM the latest on 29 March 2018 to formalise the letters according to contract conditions, get signed and issued as they are the responsible department who issue termination letters regarding Municipal contracts. Once termination is done new Co-ops can be appointed.
2. The zones that were awarded for weed spraying in September 2016 to the 5 Co-ops were big with regards to number of suburbs to be sprayed. Meetings were held with the Co-ops before they were awarded the contract, as well as training their members on weed spraying to get them familiar to the work that was needed to be undertaken. Unfortunately the Co-ops did not have the capacity or desire to undertake the task even though they knew what was expected of them. We are also experiencing performance issues with another one of the remaining Co-ops.

To ensure that new Co-op allocations will be able to fulfil the contract obligations the 3 current zones were termination of current Co-ops is in process have been broken down into more manageable sizes which would be still financially sustainable to the newly appointed Co-ops.

3. To address the issue of weed spraying in the non-serviced suburbs PLC Senior Management took a decision to put staff on overtime to spray to alleviate complaints. Overtime was necessary as this was over and above the staff normal week day duties. Where there has been an accumulation of sand and weeds at road gutters blocking the runoff, Roads and Stormwater Department is notified and they get the gutters cleared.

9.7 Questions submitted by Councillor Y Govender : Litigation Matters by/Against the Municipality (3/4/5):

In terms of Section 151 (2) of our Constitution, the executive and legislative powers of a municipality is vested in its Municipal council. It is therefore disconcerting to find out, as councillors of the eThekwini Municipal council, through the media, information pertaining to litigation involving the Municipality, more especially when these matters are settled in favour of the Plaintiff/Applicant suing the said municipality. In light of the above I request clarity on our practice, procedure and protocols and require the following questions to be answered:

1. Which municipal committee is responsible for oversight over litigation where the Municipality sues or is being sued?

2. If no committee is responsible for oversight, then which political structure, political office bearer, councillor, or staff member of the council is responsible for such oversight?

3. How many cases by or against the Municipality are pending in:

   (a) the Civil Courts; (b) the CCMA; (C) the Labour Court; and (d) the Labour

4. How many matters/court matters with financial implications have been settled from 1st July 2016 to date?

5. How many judgements have been taken against the Municipality for specific performance from 1st July 2016 to date?

6. How many judgements have been taken against the Municipality for damages, from 1st July 2016 to date?
7. At which Full Council Meeting has any approval been given for any settlement to be made in any litigious or disputed matter involving the Municipality, whether or not legal proceedings have been instituted?

8. If no approval was obtained at any Full Council Meeting, then to whom has the power to settle litigious and disputes matters been delegated, and when was that power delegated?

9. If this power have been delegated, when were the reports in terms of Section 63 of the Municipal Systems Act No. 32 of 2000 provided, and to whom were they provided?

It was noted that responses were only provided for questions 3 to 7.

3. 637
4. 754
5. 167
6. 16
7. 37

Questions submitted by Councillor R Macpherson: Disconnections Created by Inefficient RMS (7/6/3/R):

That the consequences of an inefficient RMS billing system is creating a wave of unnecessary disconnections and unnecessary financial burden on the already disillusioned ratepayers and business.

In light of the above, I request that the following questions be answered:

1. How many residents have been disconnected since the switch over to RMS?
2. How many businesses have been discounted since the switch over RMS?
3. How many of the above connections were as a result of incorrect billing?
4. Is RMS now a fully integrated functional and reliable billing system?
5. How much has the city spent from inception to date on the RMS system?
6. What are the average monthly running costs of the RMS billing system (including consultants)?
7. Does the city have complete ownership of the RMS billing system in terms of soft wear and access to change codes?
8. What is the Rand value currently being disputed by Business/Ratepayers directly related to RMS billing?

9. Is RMS now running at a 100% efficiency?

10. Does the head of revenue believe that the RMS billing system is the most efficient, reliable and cost effective option for the city?

The following respective responses were provided:-

1. 189468, 146338 for Electricity and 43130 for Water.
2. Information not retained.
3. Unknown.
4. The RMS application is producing correct bills.
5. The Capital cost was R685m.
6. The Consultants cost R1.5m per month. Other costs are part of the Municipality’s operational costs.
7. The software belongs to the City.
8. Unknown.
9. The nightly billing runs are efficient and correct bills are being produced.
10. The application produces correct bills, receipts cash correctly, handles the debt collection aspect and produces bills in accordance with legislation.

Questions submitted by Councillor LM Meyer : Transit Camps Across the City (22/6/R):

Transit Camps are meant to be temporary accommodation for residents for a few months, but across the city these camps are found where people have been living for a number of years often in harsh conditions.

In light of the above, I request that the following questions be answered:

1. How many transit camps are there currently in the City?
2. In which Wards are these Camps?
3. How many people are being housed in these Transit Camps?
4. Are these Transit Camps where people have been living in for 2 or more years?
5. If yes to (3) how many Transit Camps have people been living in for 2 or more years?
6. **Are the people living in the Transit Camps being prioritised for formal housing?**

7. **Does Municipality have a timeline when all people from Transit Camps will have been housed in formal housing?**

The following respective responses were provided:

1. The City had a total number of 49 transit camps currently, with 13 eradicated thus far.

2. Transit facilities are located in various wards of eThekwini, namely; 4, 6, 11, 19, 20, 22, 23, 24, 25, 29, 30, 32, 34, 37, 40, 41, 43, 45, 52, 53, 55, 56, 57, 62, 65, 71, 74, 75, 77, 79, 87, 89, 90, 101 and 109.

3. There are 9,237 families in occupation of transit facilities to date. It should be noted that some of these households invaded the transit camps without Official allocation processes having been followed.

4. Yes.

5. Forty eight of the transit facilities are more than 2 years old.

6. Yes they are being prioritised, some transit facilities are housing projects linked and some are being relocated to the Cornubia Greenfield project currently.

7. The eradication of the transit facilities is highly dependent on the implementation of projects where people will be relocated to, earmarked projects are in different planning stages towards implementation. In all greenfields projects allocation, transit facilities re the first priority.

9.10 Questions submitted by Councillor ZW Khuzwayo: Delivery of Title Deeds to Beneficiaries (22/5):

The 2016 Public Service Accountability Monitor report provides that at a national level we have a Title Deed of 900,000 with eThekwini Municipality sitting on 87,037. More than 70% of this is Post 1994. This does not include Houses built by eThekwini Municipality during 2016/17 financial year which is another +/- 8000 houses more as per eThekwini Human Settlement Report on new housing Unit built.

In light of the above, I request that the following questions be answered:

1. **How much is budgeted for eradication of the title deeds backlog?**

2. **Time frames for eradication of both pre-1994 and post-1994 backlog?**

3. **Time frames for timeous delivery of title deeds to beneficiaries upon occupation?**
4. How many conveyancing firms have been appointed to carry out the transfers?

5. What strategic interventions have been taken to date?

6. What is the progress so far?

The following respective responses were provided:-

1. Sixteen million has been provided for eradication of backlogs.

2. Taking into account the existing challenges affecting Title Deed Restoration Programmes, we anticipate finalising all challenges during the Financial Year 2018/2019. Transfers of Title Deeds will be finalised during the Financial Year 2019/2020 and hand over of Title Deeds to beneficiaries will be rolled out in 2022.

3. The process of delivery of Title Deeds to beneficiaries upon occupation has already been started, eThekwini pilot project was Cornubia with implementation of SPLUMA approval which deals with compliance with the Condition of Establishment prior to construction of units as opposed to LEFTEA application approvals previously used by Council.

4. 12.

5. Human Settlements together with Engineering Unit and all other Line Departments have established a Title Deed Restoration Steering Committee which meets every month. A recommendation has been made to appoint a Programme Manager who will conduct a technical assessment of all infrastructure services and make recommendations thereof.

Funding has been made available from the USDG to appoint a Programme Manager to deal with technical assessment of services. Depending on the outcome of the technical report by the Programme Manager the services will be handed over to Line Departments. Where there are deviation from Condition of Establishments, services will be upgraded to the required standard approved by Council.

A firm of specialists Conveyancers has been assigned to eThekwini by National Department to deal with legal issues raised by the Deeds Office. Twenty million has been provided to deal with land acquisition of privately owned land where township has already been established, e.g. Mpumalanga.

6. All the above mentioned processes are at an implementation stage.

(In the absence of Her Worship the Mayor, Councillor ZRT Gumede and the Deputy Mayor, Councillor F Peer, Councillor BA Fortein presented the First Report of the Executive Committee).
FIRST REPORT OF THE EXECUTIVE COMMITTEE
(Meeting held 2018-05-15)

PRESENT : Executive Committee Members ZRT Gumede (Mayor and Chairperson), F Peer (Deputy Mayor), HU De Boer, S Hoosen, SA Kaunda, MM Mthembu, MS Nkosi, ZR Sokhabase and there being one vacancy.

ABSENT : Executive Committee Member BA Fortein (On leave-Municipal business)

1. REPORT OF ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE: MEETING HELD ON 2018-05-03


Committee was advised that authority was being sought to reprioritise the National Treasury’s Neighbourhood Development Partnership Grant capital funding which was allocated in the 2017/2018 financial year, by approving the transfer of R20 000 000.00 (Twenty Million Rand), which was originally allocated to the Newlands MR577/ Ntuzuma Interchange Upgrade to Glebelands Non-Motorised Transport.

The initial strategy of the Neighbourhood Development Partnership (NDP) Grant was to facilitate the planning and development of neighbourhood development programmes and projects that would act as catalysts for further public and private sector development in townships.

A new strategy (ie. Urban Network Strategy) was subsequently adopted to concentrate development in one hub investment node, which provides a systematic approach to leverage private sector investment in strategic locations through a co-ordinated set of spatially targeted interventions.

The change in strategy had an impact on the approval process on applications submitted for grant funding, and as a result, certain projects which were a priority to the Municipality were not approved, causing under expenditure in the budget allocation.

The following projects were however approved:-

- Mpumalanga Pedestrian Linkages (Zones 1, 2 and 3)
- Ezimbuzini Auto Hub – Umlazi
- Glebelands Non-Motorised Transport – Umlazi
- Mpumalanga Sizakala Centre

In the circumstances,
COMMITTEE RECOMMENDS:

1.1.1 That the reprioritization of the National Treasury’s Neighbourhood Development Partnership Grant capital funding which was allocated in the 2017/2018 Financial Year be Approved.

1.1.2 That the total budget allocation of R20 000 000.00 (Twenty Million) which was originally allocated for to MR577/Newlands/Ntuzuma Interchange Upgrade be transferred to Glebelands Non Motorised Transport.

Financial Implications:
A total of R20 000 000.00 (Twenty Million Rand) will be redirected from the MR577/Newlands/ Ntuzuma Interchange Upgrade for expenditure in the Glebelands NMT in the 2017/2018 Adjustment Budget.

ADOPTED.

1.2 Request to Enter into Joint Application with Hollberry Props 114 (Pty) Ltd. Reg.2007/034351/07 for Gijima KZN Local Competitiveness Fund Agro-Processing Sector Call for Proposals (20/1/7/R):

Committee was advised that the strategic objective of the aforementioned application is to promote investment in the township economy and priority nodes and corridors in order to contribute towards the realization of Plan 2 of the IDP ie. Developing a Prosperous Diverse Economy and Employment Creation.

The call for proposals is also in alignment with the broader government objectives for inclusive growth such as Operation Vula and RASET (Radical Agrarian Socio Economic Transformation Programme).

Accordingly,

COMMITTEE RECOMMENDS:

1.2.1 That authority be granted for the City Manager to submit a joint application with Hollberry Props 114 (PTY) Ltd, Registration Number 2007/034351/07 for Gijima KZN Local Competitiveness Fund (LCF) application for Agro-processing sector call for proposals Publication Ref No: LCF Programme Phase 8.

1.2.2 That subject to the approval of .1 above, the City Manager be granted authority to enter into a Memorandum of Understanding with Hollberry Props 114 (Pty) Ltd Registration Number 2007/034351/07 for the implementation of the agro-processing project once the application has been approved by the Department of Economic Development and Environmental Affairs through the Gijima KZN Local Competitiveness Fund.

1.2.3 That subject to the approval of .2 above, Hollyberry take full liability to raise the 30% cash contribution required by the Gijima Fund and the City will contribute on thirty six (36) months free rental.
Financial Implications:
The eThekwini Municipality will avail operating facility at the Clairwood Fresh Produce Bulk Market, and suspend rent fees for the first three (3) years of operation after the approval of the Grant Funding by Gijima. This will be an opportunity cost that will be offset by the envisaged job creation and enterprises development.

**ADOPTED.**

1.3

**Innovation Festival Durban 2018 (13/2/1/1/1):**

(Page 62 : Economic Development and Planning Committee - Agenda 2018-05-03)

Brief background was provided on the Innovation Festival 2018, explanation being given that the strategic objective thereof is to bring together leaders, business entrepreneurs, academia and civil society to a common platform where ideas can be shared, innovation is experienced and pertinent issues are discussed around current and future trends within smart cities.

It was noted that the overall objective is to inform, co-create, and spur on innovation within the Durban region, with a view to empowering business, academia and youth to contributing in a positive way to the eThekwini economy.

On that basis,

**COMMITTEE RECOMMENDS:**

1.3.1

That the hosting of Innovation Festival Durban 2018, which aims to empower business, academia, youth to become innovative and contributing in a positive way to the eThekwini economy be approved.

1.3.2

That the Head : Economic Development and Investment Promotion be authorised to proceed with Supply Chain Management processes for the logistical arrangements towards the hosting of the Innovative Festival Durban 2018, to the value not exceeding R400 000.00 (Four Hundred Thousand Rand).

1.3.3

That the Head: Economic Development and Investment Promotion be tasked to report back on the outcomes of the Innovative Festival Durban 2018.

Financial Implications:

The estimated cost for eThekwini Municipality in hosting the Innovative Festival Durban 2018 is R400 000.00, broken down as follows:

- Event management – R200 000.00
- Marketing, branding and printed material – R100 000.00
- Equipment and infrastructure – R100 000.00

These costs have been budgeted for within the units existing budget. All Supply Chain Management processes will be adhered to in the procurement of goods and services.
Financial Details:

<table>
<thead>
<tr>
<th>BU</th>
<th>Item</th>
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<th>Project</th>
<th>Region</th>
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<td>0010</td>
<td>R10 000</td>
<td>2017/18</td>
</tr>
</tbody>
</table>

FC No.: 2018/18/71

**ADOPTED.**

1.4 2019 National Association of Automotive Components Allied Manufacturers Show, Inkosi Albert Luthuli International Convention Centre (13/2/1/2/1):  

Committee was informed that financial support for the National Association of Automotive Components Allied Manufacturers (NAACAM) Show, by subsidizing the cost of the venue (Durban ICC) was being sought.

It was noted that the strategic partnership with the NAACAM Show is a local economic development initiative in line with the National Industrial Development Policy Framework, eThekwini’s Integrated Development Plan, as well as the Economic Development and Job Creation Strategy of promoting and supporting the automotive sector.

The show has been endorsed and is supported by the Department of Trade and Industry, as well as the Department of Trade and Industry’s initiative ie. Automotive Supply Chain Competitiveness Initiative. It was further noted that other stakeholders are:-

- Department of Trade and Industry
- Provincial Department of Economic Development, Tourism and environment
- eThekwini and Durban Automotive Cluster
- Industrial Development Corporation
- Automotive Industry Development Centre
- Richards Bay Industrial Development Zone
- Trade and Investment KZN

Therefore,

**COMMITTEE RECOMMENDS:**

1.4.1 That the request for support of the 2019 National Association of Automotive Components Allied Manufacturers Show, scheduled for 12-14 March 2019 be approved.

1.4.2 That the Head: Economic Development and Investment Promotion be authorized to disburse funds of R1 800 000.00 (One Million Eight Hundred Thousand Rand) excluding VAT, to the Inkosi Albert Luthuli International Convention Centre for the use of the venue.
1.4.3 That the Economic Development and Investment Promotion Unit be authorized to disburse funds of R900 0000.00 (Nine Hundred Thousand Rand) excluding VAT, to the Inkosi Albert Luthuli International Convention Centre for the use of the venue.

1.4.4 That subject to the approval of .1 above, the City Manager be authorized to enter into a sponsorship agreement with the National Association of Automotive Components Allied Manufacturers (NAACAM).

<table>
<thead>
<tr>
<th>Vote Number</th>
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<th>Financial Year</th>
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<td>26105.22710.30.12120.0000.35000-4.0010</td>
<td>R 900 000.00</td>
<td>2018/19</td>
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</table>

FC No.: 2019/18/03

**ADOPTED.**

1.5 Clothing and Textiles Cluster Programme (20/1/6/3):
(Page 73 : Economic Development and Planning Committee - Agenda 2018-05-03)

With the Municipality participating in the Clothing and Textiles Programme, members expressed the view that the local (South African) industry should be supported, as opposed to imports, in order to promote job creation and boost the economy, a sentiment that was also endorsed at the Executive Committee.

Accordingly,

**COMMITTEE RECOMMENDS:**

1.5.1 That the Head : Economic Development and Investment Promotion be duly authorised to continue participation in the Clothing and Textiles Industry programme through the KZN Clothing and Textile Cluster for the development, growth and competitiveness of the Sector.

1.5.2 That subject to the approval of .1 above, the City Manager be authorised to conclude a Memorandum of Agreement (MOA) to give effect to the above.

1.5.3 That subject to the approval of .1 and .2 above, the Head : Economic Development and Investment Promotion be duly authorised in accordance with the Memorandum of Agreement, to disburse the funds to the KZN Clothing and Textile Cluster (Non-Profit Company) amounting to R3 500 000.00 (Three Million Five Hundred Thousand Rand) excluding VAT for the 2018/19 financial period; to R3 675 000.00 (Three Million Six Hundred and Seventy Five Thousand Rand) excluding VAT for the 2019/20 financial period; and R3 858 750.00 (Three Million Eight Hundred and Fifty Eight Thousand Seven Hundred and Fifty Rand) excluding VAT for the 2020/21 financial period in terms of Section 67 of the Municipal Finance Management Act and in accordance with the Memorandum of Agreement.

1.5.4 That the Head: Economic Development and Investment Promotion be tasked to report progress on this initiative on an annual basis and to present the annual business plan for noting.
During discussion of the abovementioned item the contribution by Councillor RD Macpherson was not entertained on the premise that he was closely involved in the textile and clothing industry, hence his comments from a legal perspective was deemed to be a conflict of interest.

The above recommendations of the Executive were thereafter **ADOPTED**.

### 1.6 EThekwini Waste Materials Recovery Cluster (20/1/6/1):

(Page 81 : Economic Development and Planning Committee - Agenda 2018-05-03)

The Committee was taken through the strategic objective, background, industry challenges, highlights and progress to date of the Materials Recovery Cluster (Use-It) Programmes, as well as the legal and other implication, of participation in the Cluster, all outlined in the report by the City Manager dated 2018-04-20.

It was noted that approval of the recommendations would contribute towards the realization of Plan 2 of the IDP ie. Developing a Prosperous Diverse Economy and Employment Creation, by developing the economic wealth of the eThekwini region.

On that basis,

**COMMITTEE RECOMMENDS:**

1.6.1 That the Head: Economic Development and Investment Promotion be duly authorised to continue participation in the eThekwini Waste Materials Recovery Industry Development Cluster, trading as USE-IT for the development, growth and competitiveness of the Sector.

1.6.2 That subject to the approval of .1 above, the City Manager be authorised to conclude a Memorandum of Agreement (MOA) to give effect to the above.

1.6.3 That subject to the approval of .1 and .2 above, the Head : Economic Development and Investment Promotion be duly authorised in accordance with the Memorandum of Agreement, to disburse the funds to USE-IT amounting to R2 473 598.00 (Two Million Four Hundred and Seventy Three Thousand Five Hundred and Ninety Eight Rand) excluding VAT for 2018/19; R2 641 758.00 (Two Million Six Hundred and Forty One Thousand Seven Hundred and Fifty Eight Rand) excluding VAT for 2019/20 and R2 905 935.00 (Two Million Nine Hundred and Five Thousand Nine Hundred and Thirty Five Rand excluding VAT for 2020/21 in terms of Section 67 of the Municipal Finance Management Act and in accordance with the Memorandum of Agreement.

<table>
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<tr>
<th>Vote Number</th>
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<th>Financial Year</th>
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</thead>
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<td>R3 500 000.00 no VAT</td>
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<td>26102.25445.230.12120.000.38875.0010</td>
<td>R3 675 000.00 no VAT</td>
<td>2019/20</td>
</tr>
<tr>
<td>26102.25445.230.12120.000.38875.0010</td>
<td>R3 858 750.00 no VAT</td>
<td>2020/21</td>
</tr>
</tbody>
</table>
1.6.4 That the Head: Economic Development and Investment Promotion be tasked to report on progress on this initiative on an annual basis and to present the Annual Business Plan for noting.

<table>
<thead>
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<th>Vote Number</th>
<th>Proposed Expenditure</th>
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<td>R2 905 935.00 excl VAT</td>
<td>2020/21</td>
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</table>

FC No.: 2019/18/02

**ADOPTED.**

1.7 Transfer of Government Immovable Assets to eThekwini Municipality: Three Inner City Buildings Known as the West Point Lodge, the Palm Beach Hotel and the Seamans Institute (17/2/2/1/R):

(Page 87 : Economic Development and Planning Committee - Agenda 2018-05-03)

The Economic Development and Planning Committee was advised that the KZN Department of Public Works intended to donate the (three) 3 Inner City buildings, alluded to above, with the aim of accelerating social housing, in line with the eThekwini Densification Strategy, as well as the Inner City Local Area Plan (2016): Inclusive Residential Strategy.

Being of the view that there should be direct engagement between property owners and the Department, and that the Problem Buildings By-law should be enforced, the IFP abstained and the DA dissented thereat.

However at the Executive Committee, whilst being in support of the provision of social housing, concerns were expressed by the DA on the legality of removing the current illegal tenants with a request for a presentation being made on the Transfer of Government Immovable Assets to the Human Settlements and Infrastructure Committee.

In response it was clarified that the buildings from Province were in the form of a Donation Agreement with the Legal & Compliance Unit having provided the necessary input to the legal implications, including the removal of the current illegal tenants from the mentioned buildings.

Being in agreement and with the DA abstaining,

**COMMITTEE RECOMMENDS:**

1.7.1 That authority be granted to the Deputy City Manager: Economic Development and Planning Cluster to accept the donation of three (3) Inner City Buildings namely West Point Lodge, The Palm Beach Hotel and the Seamans Institute to trigger renewal of bad buildings within the Inner city phase 1 implementation of a priority precincts.

1.7.2 That subject to the approval of .1 above, the City Manager be authorised to sign a Memorandum of Agreement (MOA) with conditions, process as well as roles and responsibilities of all parties on behalf of the city.
1.7.3 That the working collaboration between the eThekwini Human Settlements, Economic Development & Planning and Real Estate to redeveloping the three (3) Inner City Buildings, dispose to private sector and recapitalized investment for higher social housing units at strategic location.

Financial Implications:

The Urban Renewal Unit estimated cost of R5 500 000.00 (Five Million Five Hundred Thousand Rand) of capital budget for 2018/2019 financial year to be spend in redeveloping the buildings.

Some Councillors were not in support of the above recommendations of the Executive Committee on the contention that the buildings in question were not viable for social housing and that the funds allocated to renovate same would be frivolous expenditure. However, the majority of the Councillors were of the view that by accepting the donation of the three buildings the housing backlog would be reduced.

The matter was thereafter put to the vote. With 176 Councillors present 121 Councillors (ANC- 108, IFP-7, IND- 1, AIC – 2, ACDP – 1, DLC – 1 and MOSA - 1) voted in favour and no Councillors voted against. 55 DA Councillors abstained from voting.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.

REPORT OF THE COMMUNITY SERVICES COMMITTEE: MEETING HELD ON 2018-05-10

(Page R11)

2.1 Service Delivery and Budget Implementation Plan (SDBIP) Quarterly Report: 31 March 2018 (2/10/1/1/9):

(Page 11: Community Services Committee - Agenda 2018-05-10)

The Committee interrogated the Service Delivery and Budget Implementation Plan (SDBIP) as at 31 March 2018 relating to community services. It was felt that information contained in the report was not in alignment with the actual projects being carried out at the Ward level. Therefore, it was agreed to convene a three-day workshop to critically analyse the SDBIP and obtain clarity from the respective Units.

COMMITTEE RECOMMENDS:

That the SDBIP Quarterly Report for the quarter ended 2018-03-31 be noted and Council notes the intention by the Community Services Committee to convene a three-day workshop to, amongst other things, critically analyse the SDBIP falling within the jurisdiction of the Committee thereby ensuring the credibility of information contained therein in so far as community services is concerned and also determine forward planning in this regard.

NOTED.
2.2 Approval of Air Quality Management Plan for eThekwini Municipality (30/2/4/2/3):

The Air Quality Management Plan (AQMP) of eThekwini Municipality was presented for approval and the request for the Health Unit to receive additional funding for the implementation purpose to comply with the National Environmental Management Air Quality Act No. 39 of 2004.

The importance of air quality management within the City of eThekwini is being acknowledged. Hence, the significance of prioritising the matter to combat, amongst other things, the illegal dumping which has been a thorny matter attracting the attention of Media. Increasing staff compliment is regarded as key to effectively fulfil this function thus a recommendation to employ additional Health Environmental Practitioners.

Reference having been made to funds donated to various Non-Government Organisations (NGOs), through the Sister Cities Program for air quality projects, the Health Unit is mandated to determine how the Municipality can leverage costs by working with these NGOs in air quality management projects.

COMMITTEE RECOMMENDS:

2.2.1 That the eThekwini Municipality Air Quality Management Plan (AQMP) be approved and incorporated into the Municipality’s Integrated Development Plan with the Health Unit serving as an implementing agent.

2.2.2 That adequate capital and operational funding of R3 500 000.00 (Three Million Five Hundred Thousand Rand) be granted to the Health Unit to achieve the Municipality’s legislated mandate in terms of Air Quality Management.

2.2.3 That authority be granted to the Acting Deputy City Manager: Community and Emergency Services to engage the Organizational Design and Change Management Unit on an urgent basis to undertake an institutional review of the existing structure so as to enable the Health Unit to meet the mandate of the National Environment Management Air Quality Act No. 39 of 2004.

2.2.4 That the Acting Deputy City Manager: Community and Emergency Services provides quarterly progress reports on the implementation of the AQMP.

Financial Implications: In order to ensure that the AQMP is successfully, effectively and efficiently implemented and administered, there is a need for financial and other related resources to be made available to the Health unit. The Capital and Operational Budgets are detailed below:-
### Table 1: Summary of five-year capital budget for the network to be operated in accordance with DEA Norms and Standards

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### Table 2: Summary of Five year operational budget for the network to be operated in accordance with DEA Norms and Standards

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<td>Air conditioners</td>
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<td>Passive samplers and analysis</td>
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<td>Dust Stands</td>
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<td>BY-law Promulgation Costs</td>
<td>R100,000.00</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
2.3 Cervical Cancer Screening Campaign (30/1/8/1/1):
(Page 33: Community Services Committee - Agenda 2018-05-10)

The Provincial Department of Health had initiated and conducted a Cervical Cancer Screening Campaign on 21 April 2018 at Inkosi Albert Luthuli International Convention Centre. Members of the community were transported from various identified areas within the City. Cervical Cancer is the second most common form of Cancer amongst the South African women. Hence, Community-Based Screening Programme is responsive in terms of reducing incidents or early detection of Cervical Cancer. In recognition of the health risk as a result of various kinds of cancer, the Committee recommends that a broader cancer awareness be conducted to address Youth in particular.

COMMITTEE RECOMMENDS:

That Council notes the involvement of eThekwini Municipality through the Health Unit supporting the Provincial Health Department in the Cervical Cancer Screening Campaign held on 2018-04-21 and the recommendation by the Community Services Committee for the Province to embark on the broader cancer awareness programme targeting members of the Youth in particular.

ADOPTED.

2.4 Collaboration with South African Institute for Aquatic Biodiversity to Host Durban Natural Science Museum Research Collections Specify Database (17/2/2/2/1):
(Page 57: Community Services Committee - Agenda 2018-05-10)

The Municipality is collaborating with the South African Institute for Aquatic Biodiversity (SAIAB) to host the Durban Natural Science Museum (DNSM) Research Collections Specify Database. This is part of the commitment by SAIAB to support the initiative of the Natural Science Collections Facility (NSCF) through the provision of hosting and maintaining South African natural history collection databases. Also, the intention by DNSM to follow a nation-wide effort to migrate all natural history collections to institutional SPECIFY 7 databases. There are no financial implications to Council as a result of this collaboration.

ADOPTED.
COMMITTEE RECOMMENDS:

That authority be granted to the City Manager to enter into a Memorandum of Understanding with the South African Institute of Aquatic Biodiversity for the hosting and maintenance of the Natural Science Museum research collections database currently in SPECIFY 7.

ADOPTED.

2.5 Amalgamation of Umngeni River Bird Park with Mitchell Park Zoo (31/1/1/1):

(Page 89: Community Services Committee - Agenda 2018-05-10)

Approval is being sought for the amalgamation of Umngeni River Bird Park with Mitchell Park Zoo. Umngeni River Bird Park is currently under a three-year Management Contract with Top Administration Services (Pty) Ltd. The Mitchell Park Zoo is being managed by the Parks, Leisure and Cemeteries Unit. The attention is drawn to the fact that Top Administration Services and staff members currently employed under this contract have no objections to the takeover of this function, subject to the remuneration being placed at applicable salary scales and being placed on a close match basis with staff at the Parks, Leisure and Cemeteries Unit.

At the Executive Committee meeting, with the DA abstaining,

COMMITTEE RECOMMENDS:

2.5.1 That the proposed amalgamation of Umngeni River Bird Park currently managed by Top Administration Services (Pty) Ltd, with Mitchell Park Zoo falling under the Parks, Leisure and Cemeteries Unit, be approved in principle.

2.5.2 That, subject to the adoption of .1 above, authority be granted to the Acting Deputy City Manager: Community and Emergency Services to facilitate the commencement of the amalgamation process.

2.5.3 That the Acting Deputy City Manager: Community and Emergency Services discloses a total number of employees being amalgamated and determines the financial implications as a result of the amalgamation and present same to the Community Services Committee for approval.

2.5.4 That authority be granted to the Acting Deputy City Manager: Community and Emergency Services to engage the Management of Top Administration Services (Pty) Ltd and employees affected on the Council decision regarding the amalgamation.

2.5.5 That the Acting Deputy City Manager: Community and Emergency Services liaises with the Deputy City Manager: Corporate and Human Resources to consult with Labour and thereafter draft and submit to the City Manager a placement criteria to be used to takeover Umngeni River Bird Park employees.

2.5.6 That UMngeni River Bird Park employees be accordingly placed before the expiry of the current three-year Management Contract with Top Administration Services (Pty) Ltd.

ADOPTED.
2.6 Request for Approval to Enter into Agreement With Settlers Primary School to Conduct Ambient Air Quality Monitoring and to Seek Authority for Payment of Monthly Electricity Usage Fee:

(Page 105: Community Services Committee - Agenda 2018-05-10)

**COMMITTEE RECOMMENDS:**

2.6.1 That authority be granted for the City Manager to enter into a three-year Memorandum of Agreement with Settlers Primary School which is currently being used as an Ambient Monitoring Station to monitor ambient air quality in the Refinery corridor.

2.6.2 That Council notes the school was selected because of its location to successfully monitor prevailing winds in all directions, i.e. North, East, South and West and with the school being a secure site to house the assets required to monitor the air.

2.6.3 That Council approves the arrangement to reimburse Settlers School for the electricity costs incurred to operate the Ambient Monitoring Station, it being recorded the payment in respect of electricity would be off-set directly against the Consolidated Billing Account.

*Financial Implications*

It is anticipated that the cost of electricity usage will be approximately R1 000.00 per month.

Vote No. 23024.19700.12120.0000.MRC01.0010 2017/2018 Financial Year

**ADOPTED.**

3. REVISION OF RENTAL: DARTFORD TRADING (PTY) LTD: ERF 12306, 139 LOWER OR TAMBO PARADE, DURBAN (17/2/1/2/5)

(Page 24)

**COMMITTEE RECOMMENDS:**

3.1 That the rental in respect of lease of land described as Lease Erf 12306, Durban, Registration Division FU in the Durban Entity, Province of KwaZulu-Natal, in extent 1425m² held by Dartford Trading Pty Ltd, be the greater of the sum of the basic monthly amounts payable in a lease year as determined in .2 hereunder or 5% of the gross annual income derived from all activities conducted on/or from the land and buildings thereon.

3.2 That the basic monthly amount referred to in .1 above, be:

3.2.1 For the first lease year, R80 050.00 (Eighty Thousand and Fifty Rand) per month excluding Value Added Tax.

3.2.2 For the second and successive lease years, one twelfth of the total actual rental paid in the previous year.

3.3 That subject to the adoption of .1 and .2 above, all cost of documenting the revision of rental be borne by Dartford Trading (Pty) Ltd.

**ADOPTED.**
4. HOSTING OF UCLG CONGRESS 2019: WORLD SUMMIT OF LOCAL AND REGIONAL LEADERS (14/2/1/1/1)

(Please 32)

The World Summit of Local and Regional Leaders as organized by the United Cities and Local Governments is regarded as the largest, most influential Local and Regional world leaders conference and global gathering of Mayors, Councillors, Local Governments and Development partners. It is noted that the 2019 edition of this Triennial Summit will be hosted in the City of Durban together with the South African Local Government Association (SALGA) in either October or November 2019.

Taking into account that a more detailed cost estimate in respect of the budget to host the Congress was in the interim being finalized,

COMMITTEE RECOMMENDS:

4.1 That the City Manager be mandated to sign the Tripartite Congress Agreement between eThekwini Municipality, SALGA and UCLG.

4.2 That the City Manager be mandated to engage with SALGA and both National and Provincial Departments to lobby for adequate funding towards the Congress.

ADOPTED.

5. PARTICIPATION IN THE ONE NATION CUP FOOTBALL TOURNAMENT IN JAPAN FROM 21 TO 26 MAY 2018 (33/2)

(Please 49)

It was noted that that matter had been raised verbally at the Community Services Committee on 2018-05-10 as the report thereon was still undergoing a process of obtaining signatures and with the DA abstaining thereat, the participation of eThekwini Municipality at the One Nation Cup Football tournament in Japan was approved in principle.

However, a report thereon had been presented to the Executive Committee.

Therefore,

COMMITTEE RECOMMENDS:

5.1 That the strategic objectives of the One National Cup Football tournament in identifying talent within previously disadvantaged communities, exposing young athletes to International competition, promoting Gender equity and branding eThekwini, South African and Africa from a cultural exchange perspective, be noted.

5.1 That the participation of Team eThekwini in the One Nation Cup, U15 Football Tournament to be held Japan from 21 May to 26 May 2018, be approved.
5.2 That a delegation of twenty one (21) people, comprising fifteen (15) players, two (2) Technical Officials, two (2) Administrative Officials and two (2) Councillors to attend the tournament, be approved.

5.4 That the financial implications for the subsistence and travelling allowance as indicated below, be approved

Financial Implications:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DESCRIPTION</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Flights and Accommodation x 19 people @R12 250</td>
<td>R232 750.00</td>
</tr>
<tr>
<td>2.</td>
<td>Team Uniform @ R2 500 x 21</td>
<td>R52 500.00</td>
</tr>
<tr>
<td>3.</td>
<td>Visa x 21 @ R1 000</td>
<td>R21 000.00</td>
</tr>
<tr>
<td>4.</td>
<td>Emergency and unplanned expenses</td>
<td>R10 000.00</td>
</tr>
<tr>
<td>5.</td>
<td>Administrative support staff expenses: Travel Insurance @R15 000</td>
<td>R15 000.00</td>
</tr>
<tr>
<td>6.</td>
<td>Send off Function @ R100 x 100 guests</td>
<td>R10 000.00</td>
</tr>
</tbody>
</table>

TOTAL EXPENDITURE: R341 250.00

Vote No.: 26003.various.12120.0000.53500-2410010 Sports and Recreation
FC No.: 31/066

Vote No.: 32123.22115.12120.0000.35 000-4.0010 Speaker’s Office
FC No.: 2018/08/65

ADOPTED.

6. REPORT ON AWARDS MADE BY THE CITY FOR THE MONTH OF APRIL 2018 (9/1/3)

(Page 59)

COMMITTEE RECOMMENDS:

6.1 That the report of the Acting City Manager dated 2018-05-10 relative to awards made by the City for the month of April 2018, as presented, be noted.

6.2 That it be noted that where information is available for Wards and registration numbers, it is included in the report, as information used to compile the report is taken from submissions made by the Units.

6.3 That the City Manager reserves the right to investigate the awards with a view to taking disciplinary, criminal and recovery actions where willful and negligent violation of Supply Chain Management Policies and Municipal Finance Management Act provisions are observed.

6.4 That the City Manager shall table a report to the Committee relative to the disciplinary, criminal and recovery actions taken, it being recorded that the City Manager can only respond when the reports are available.

Recommendations 6.1 and 6.2 NOTED and Recommendations 6.3 and 6.4 ADOPTED.
In the absence of Her Worship the Mayor, Councillor ZRT Gumede and the Deputy Mayor, Councillor F Peer, Councillor BA Fortein presented the Second Report of the Executive Committee.

SECOND REPORT OF THE EXECUTIVE COMMITTEE
(Meeting held 2018-05-29)

PRESENT: Executive Committee Members ZRT Gumede (Mayor and Chairperson), F Peer (Deputy Mayor), HU De Boer, BA Fortein, NL Graham, S Hoosen, SA Kaunda, MM Mthembu, MS Nkosi and ZR Sokhabase.

During consideration of the undermentioned items at the Executive Committee, Executive Committee Member S Hoosen was not in attendance.

1. REPORT OF THE GOVERNANCE AND HUMAN RESOURCES COMMITTEE: MEETING HELD ON 2018-05-09

(Please R1)

1.1 Proposed Councillor Accelerated Leadership Programme (3/5/1/2):

(Page 23 : Governance and Human Resources Committee - Agenda 2018-05-09)

COMMITTEE RECOMMENDS:

1.1.1 That authority be granted to the Deputy City Manager: Governance and International Relations and the Deputy City Manager: Corporate Human Resources to implement the three (3) year Councillors Accelerated Leadership Programme (CALP) aimed at improving leadership skills and knowledge of Municipal governance processes to respond effectively to service delivery and related matters.

1.1.2 That it be noted the CALP will be rolled out commencing in this current financial year, as facilitated by the Organisational Design and Change Management Unit, with specific dates to be co-ordinated in consultation with the Chairpersons of the respective Support Committees since the sessions will be structured to accommodate Councillors per Support Committees.

ADOPTED.

1.2 City Hall Complex Maintenance and Proposed Establishment of New Council Chamber (17/2/2/4):

(Page 28 : Governance and Human Resources Committee - Agenda 2018-05-09)

At the Executive Committee meeting the Democratic Alliance abstained on the matter until such time that a report entailing costs of the proposed establishment of a new Council Chamber and City Hall complex maintenance is submitted.
Thereafter,

COMMITTEE RECOMMENDS:

1.2.1 That the Executive Committee notes that with the City Hall complex being a heritage building of approximately One Hundred and Seven (107) years old, structural challenges are being encountered thus a need for ongoing upgrade and maintenance whilst complying with the Building Regulations and operational requirements.

1.2.2 That in order to preserve the City Hall complex as a heritage building and the building befitting to house the Municipal leadership, authority be granted to the Deputy City Manager: Governance and International Relations to conduct a holistic structural assessment of the building; assessment of facilities; building systems etc.; develop a comprehensive upgrade program of the City Hall Complex; co-ordinate and package projects to be undertaken; and to determine the best approach to undertake renovation work whilst the City hall is in use.

1.2.3 That, as part of addressing operational challenges in City Hall, a recommendation to establish a new Council Chamber for eThekwini Municipal Council be approved in principle.

1.2.4 That, subject to .3 above, authority be granted to the Deputy City Manager: Governance and International Relations to facilitate a feasibility study for the constructing of a new Council Chamber and, for such study to include, consultation with relevant stakeholders; identification of proposed location; anticipated costs; and the funding model.

As some Councillors were not in support of the above recommendations of the Executive Committee until a report entailing costs of the proposed establishment of a new Council Chamber and City Hall complex maintenance is submitted, the matter was put to the vote. With 169 Councillors present 115 Councillors (ANC - 104, IFP - 6, AIC – 2, ACDP – 1, DLC – 1 and MOSA - 1) voted in favour and no Councillors voted against. 54 DA Councillors abstained from voting.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

1.3 Development of Ward Operational Plans (3/6/5):

At the Governance and Human Resources Committee, with 29 Councillors present, 19 Councillors (ANC - 15, TA - 1, IFP - 1 and AIC - 2) voted in support of the recommendations and 10 DA Councillors voted against the recommendation.

At the Executive Committee meeting the Democratic Alliance requested that their dissenting vote be recorded on the basis of issues related to the operation of Ward Committees and the assault of Councillors.

The recommendations were, by the majority vote, adopted.
COMMITTEE RECOMMENDS:

1.3.1 That, in line with the requirements by the Department of Co-operative Governance and Traditional Affairs, the process of developing Ward Operational Plans in all One Hundred and Ten (110) Wards of the eThekwini Municipal Council, be approved, it being recorded that this is aimed at creating a platform for Ward Committees to take part in planning, implementation and monitoring service delivery at the Ward level.

1.3.2 That it be noted that the Ward Committee Operational Plans will include information on Ward profile; functions of Ward Committees; linkages with the Integrated Development Programme with respect to Ward projects: Annual Ward Operational Plans incorporating specific objectives and targets; details of Ward Committee members; monitoring and evaluation mechanisms.

1.3.3 That the Executive Committee notes that Ward Committees have been engaged in the Months of April and May to explain the process to be commenced to develop Operational Plans.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 169 Councillors present 104 Councillors (ANC- 102 and AIC – 2) voted in favour and 64 Councillors (DA – 54, IFP – 7, ACDP – 1, DLC – 1 and MOSA – 1) voted against. 1 Councillor abstained from voting.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

1.4 Request for Approval to Host Career Exposition and Youth Employability Indaba for a Period of Three Years (2018-2020) in Partnership with the ICC and the Maritime Cluster (6/3/1):

At the Executive Committee meeting the Democratic Alliance expressed concern on the expenditure incurred in respect of sound video and advertising and promotional items, taking cognizance that Council has an in-house Communications Department. The need to curb expenditure was pointed out taking into account a call for austerity measures by both the Auditor General and National Treasury.

In response reference was made to the opening remarks by Her Worship the Mayor whereby she had commended the success of the Indaba that had impacted greatly on the youth of eThekwini.

Accordingly,

COMMITTEE RECOMMENDS:

1.4.1 That authority be granted to the Deputy City Manager: Corporate and Human Resources to co-ordinate with relevant Units and host Career Exposition and Youth Employability Indaba for a period of three years (2018 - 2020) in partnership with the ICC and the Maritime Cluster to provide a platform for young people to be empowered with tools and opportunities available to obtain employment, develop appropriate skills and connect them to job opportunities, career information, enterprise development support and possible bursary programmes or scholarships.
1.4.2 That subject to approval of 1.1 above, authority be granted to the Head: Human Resources and the Head: eThekwini Municipal Academy to implement the Career Exposition and Youth Employability Indaba for a period of three years (2018 - 2020) in the total amounting of R9 133 075.00 (Nine Million One Hundred and Thirty Three Thousand and Seventy Five Rand) as indicated in the table below.

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>COMMITMENT</th>
<th>ESTIMATED COST:17/18</th>
<th>ESTIMATED COST:18/19</th>
<th>ESTIMATED COST: 19/20</th>
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</thead>
<tbody>
<tr>
<td>Venue</td>
<td>ICC</td>
<td>ICC</td>
<td>ICC</td>
<td>ICC</td>
</tr>
<tr>
<td>EThekwini Buses Learner Transport 100 schools (Umlazi &amp; Pinetown Districts – within eThekwini Municipal Area) and Learners with disabilities</td>
<td>EThekwini Municipal Academy Human Resources</td>
<td>R350 000.00 (schools)</td>
<td>R385 000.00</td>
<td>R423 500.00</td>
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<tr>
<td>EMRS Service (Ambulance)</td>
<td>Office of The DCM:TS</td>
<td>R35 000.00</td>
<td>R38 888.00</td>
<td>R43 209.00</td>
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<tr>
<td>Safety and Security</td>
<td>Human Resources</td>
<td>R75 000.00</td>
<td>R83 333.00</td>
<td>R92 592.00</td>
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<td>Sound/Video coverage package</td>
<td>Office of The DCM:TS</td>
<td>R150 000.00</td>
<td>R165 000.00</td>
<td>R181 500.00</td>
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<tr>
<td>Catering: (Delegates, Presenters, Exhibitors &amp; Educators)</td>
<td>EThekwini Maritime Cluster</td>
<td>R250 000.00</td>
<td>R277 700.00</td>
<td>R308 500.00</td>
</tr>
<tr>
<td>Catering: Learners Lunch Packs: Youth</td>
<td>EThekwini Municipal Academy Human Resources</td>
<td>R360 000.00</td>
<td>R396 000.00</td>
<td>R435 600.00</td>
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<tr>
<td>Conference Packs (Pens, Lanyards, USB, etc.)</td>
<td>Human Resources</td>
<td>R500 000.00</td>
<td>R555 555.00</td>
<td>R617 283.00</td>
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<tr>
<td>Communications (Marketing, branding, advertising and promotional items)</td>
<td>Office of The DCM:TS EThekwini Municipal Academy</td>
<td>R100 000.00</td>
<td>R110 000.00</td>
<td>R121 000.00</td>
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<tr>
<td>Gifts for Panel</td>
<td>Human Resources</td>
<td>R3 000.00</td>
<td>R3 300.00</td>
<td>R3 630.00</td>
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</table>

**TOTAL**

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<tr>
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<th>ESTIMATED COST:18/19</th>
<th>ESTIMATED COST: 19/20</th>
</tr>
</thead>
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<tr>
<td>EThekwini Municipal Academy</td>
<td>33240.34400-02 FC No 14/26</td>
<td>R890 000.00</td>
<td>R979 000.00</td>
<td>R1 069 900.00</td>
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<td>Office of the DCM’s</td>
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<td>R285 000.00</td>
<td>R313 888.00</td>
<td>R345 276.00</td>
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<td>R1 411 300.00</td>
<td>R1 552 430.00</td>
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<tr>
<td>Maritime Cluster</td>
<td>R250 000.00</td>
<td>R277 700.00</td>
<td>R308 500.00</td>
<td></td>
</tr>
</tbody>
</table>

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 167 Councillors present 113 Councillors (ANC- 101, IFP- 6, IND- 1, ACDP – 1, AIC – 2, DLC - 1 and MOSA - 1) voted in favour and no Councillors voted against. 54 DA Councillors abstained from voting.

The above recommendations of the Executive were, by the majority vote, **ADOPTED.**
1.5 Organisational and Establishment of the Performance Monitoring and Evaluation Unit:
(Page 232 : Governance and Human Resources Committee - Agenda 2018-05-09)

COMMITTEE RECOMMENDS:

1.5.1 That the approved Organisation and Establishment of the Performance Monitoring and Evaluation Unit in line with the Institutional Review Framework acceded to by the Municipal Council on 31 July 2012, as reflected on Annexure “A” of the report by the Head: Organisational Development and Change Management dated 2018-03-06, be amended.

1.5.2 That the recommended organisation and post establishment of the Performance Monitoring and Evaluation Unit as reflected on Annexure “B” of the report by the Head: Organisational Development and Change Management dated 2018-03-06, be created.

1.5.3 That subject to adoption of .2 above, authority be granted to the Head: Performance Monitoring and Evaluation to implement the recommended structure of Organisational and Establishment of Performance Monitoring Unit.

1.5.4 That it be noted that the cost implication for the establishment of Performance Monitoring and Evaluation Unit has been provisionally calculated using the median of the salary scales of the envisaged TASK Grade of the posts subject to grading process by the Compensation Management Branch and that all new and amended posts will be subject to the grading process in order to be given a correct TASK Grade.

1.5.5 That it be noted that the implementation of the recommendations of the organisational and establishment of Performance Monitoring Unit will require an additional expenditure of R13 877 405.00 (Thirteen Million Eight Hundred and Seventy Seven Thousand Four Hundred and Five Rand) on personnel costs.

ADOPTED.

1.6 Provision of Additional Space for Printing Operations (17/2/2/5/1):
(Page L8: Governance and Human Resources Committee - Agenda 2018-05-09)

COMMITTEE RECOMMENDS:

1.6.1 That the Executive Committee notes that the City Administration Unit is in the process of securing additional printing facility to accommodate increased printing operations and to facilitate the procurement of technological advanced printing machines to address prevailing challenges such as frequent machine breakdown and adequately meet the printing needs Municipal-wide.

1.6.2 That the City Administration Unit has will make provision of the total amount of R21 000 000.00 (Twenty One Million Rand) for the provision of additional printing facility as well as the procurement of printing equipment to adequately render the printing service for the entire Municipality.

ADOPTED.
REPORT OF THE HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE: MEETING HELD ON 2018-05-18

2.1 Review of Tariffs: Human Settlements Administration (7/6/1/2):

COMMITTEE RECOMMENDS:

2.1.1 That in terms of Section 75 A of Local Government Municipality Systems Act of 2000 (Act 32 of 2000), the tariffs relating to administration as set out in Annexure “A” of the undated report of the Head: Human Settlements, with effect from 2018-07-01, be approved.

2.1.2 That the City Manager comply with the requirements of Section 75 A of Government Municipality Systems Act of 2000 (Act 32 of 2000) as follows:-

2.1.2.1 To display a copy of this resolution and the said tariff of charges conspicuously:-

(a) on the City Hall Notice Board, and

(b) at such other places within the Municipality as the City Manager may determine,

2.1.2.2 To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.1.2.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.

2.1.2.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.1.2.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kaIsaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC- 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.2 Request to Amend the Roll-Out Programme of Alternative Housing and Servicing Technologies Housing Projects: Tender Number : 1H-11078 (22/7/1/1/3):

The Committee acknowledged that the programme embarked upon by Council for alternative technologies had failed and requested that a report indicating the beneficiaries of the program be submitted. With the Members being in support of the proposal, it was agreed that the conversion be undertaken to conventional construction methods where required subject to the Supply Chain Management Policy being followed in the first instance.
COMMITTEE RECOMMENDS:

2.2.1 That Council approves the amendments of the alternative housing and servicing technologies under Contract Number 1H-11078 as listed below:

2.2.1.1 That notices of intention to terminate be issued to three (3) service providers and legal proceedings commence to terminate their appointments. The following projects are affected:

<table>
<thead>
<tr>
<th>Project</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emalangeni (Outstanding sites)</td>
<td>60</td>
</tr>
<tr>
<td>Kenville</td>
<td>150</td>
</tr>
<tr>
<td>Klaarwater</td>
<td>149</td>
</tr>
</tbody>
</table>

2.2.1.2 That the services of one (1) contractor that voluntarily withdrew from the roll-out programme be terminated. The following projects are affected:

<table>
<thead>
<tr>
<th>Project</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ntuzuma C Phase 2</td>
<td>150</td>
</tr>
<tr>
<td>Africa Newtown</td>
<td>50</td>
</tr>
</tbody>
</table>

2.2.1.3 That it be noted that the following projects cannot commence as planning has not yet been completed and that construction can only commence once planning processes are accomplished:

<table>
<thead>
<tr>
<th>Project</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dikwe Masakhane</td>
<td>149</td>
</tr>
<tr>
<td>KwaMashu J &amp; K</td>
<td>149</td>
</tr>
<tr>
<td>Kanku Place</td>
<td>150</td>
</tr>
<tr>
<td>Burlington</td>
<td>200</td>
</tr>
<tr>
<td>KwaXimba Phase 2 (Contract 1)</td>
<td>150</td>
</tr>
<tr>
<td>KwaXimba Phase 2 (Contract 2)</td>
<td>150</td>
</tr>
<tr>
<td>Sobonakhona Phase 2</td>
<td>200</td>
</tr>
<tr>
<td>Ntuzuma E Extension</td>
<td>100</td>
</tr>
<tr>
<td>Goqokazi</td>
<td>100</td>
</tr>
<tr>
<td>Klaarwater</td>
<td>250</td>
</tr>
<tr>
<td>Redcliffe Valleyview</td>
<td>200</td>
</tr>
<tr>
<td>Craigieburn</td>
<td>200</td>
</tr>
</tbody>
</table>

2.2.1.4 That it be noted that the alternative technology programme cannot be used in the following projects:

(a) **Cornubia**

The engineer has recommended that the use of alternative technology be discontinued and that the roll-out of 56 Units be implemented following conventional housing methods to blend in with the entire project following concerns raised by NHBRC.

(b) **Kennedy Road**

The cost to build the triple storey blocks using alternative technology cannot be achieved within the available subsidy. The Department recommends implementing the project in terms of the new densification subsidy using conventional building methods.
2.2.2  That Contract 1H-11078 be extended for a period of twenty four (24) months from date of expiry in an effort to ensure that all the required planning, servicing of sites and funding requirements have been met and approved.

2.2.3  That the projects earmarked for alternative technologies be converted to conventional construction methods wherever required subject to the Supply Chain Management Policy being followed.

Financial Implications:
Funding is obtained from the Department of Human Settlements as part of the informal settlements upgrade programme. There are no financial amendment in the contract value except contract period.

ADOPTED.

2.3  Review of Special Tariffs for 2018/2019 WS2018/007 (7/6/1/2):

At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP -2 EFF -1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in tariffs. Accordingly with the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:


2.3.2  That the tariff increases of between 8.5 and 9.5% proposed in the report SW2018/008 of the Head: Cleansing and Solid Waste dated 2018-02-19 be approved and levied with effect from 2018-07-01 in respect of the supply of Special Cleansing and Solid Waste services.

2.3.3  That subject to the adoption of 1 above, the City Manager be directed to comply with the provisions of Section 75A (3) and (4) of the abovementioned Act as follows:

2.3.3.1  To display a copy of this resolution and the said tariff of charges conspicuously:-

(a)  on the City Hall Notice Board, and

(b)  at such other places within the Municipality as the City Manager may determine,

2.3.3.2  To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.3.3.3  To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.
2.3.3.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.3.3.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kalsaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC- 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.4 Review of Domestic Refuse Removal User Charge Tariffs for 2018/2019
WS2018/008 (7/6/1/2):
(Page 26 : Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP-2 EFF-1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in tariffs. Accordingly with the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:


2.4.2 That subject to the adoption of .1 above, the City Manager be directed to comply with the provisions of Section 75A (3) and (4) of the above abovementioned Act as follows:

2.4.2.1 To display a copy of this resolution and the said tariff of charges conspicuously:-

(a) on the City Hall Notice Board, and

(b) at such other places within the Municipality as the City Manager may determine,

2.4.2.2 To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.4.2.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.
2.4.2.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.4.2.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kalsaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC- 112, IFP- 8, IND - 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

(Page 30 : Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP-2 EFF-1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in tariffs. Accordingly with the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:


2.5.2 That, subject to the adoption of .1 above, the Acting City Manager be directed to comply with the provisions of Sections 75A (3) and (4) of the abovementioned Act as follows :

2.5.2.1 To display a copy of this resolution and the said tariff of charges conspicuously:-

(a) on the City Hall Notice Board, and

(b) at such other places within the Municipality as the City Manager may determine,

2.5.2.2 To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.5.2.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.
2.5.2.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.5.2.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kaIsaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC - 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.6 Emergency Support and Re-Building of the Umbilo River Trunk Sewer Bridge WS2017/168 (23/2/1/3):

(Page 43 : Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

COMMITTEE RECOMMENDS:

That for the reasons stated in the report of the Head: eThekwini Water and Sanitation dated 2018-01-26 (WS2017/168), authority be granted to the Deputy City Manager: Finance to include in his Adjustment Budget report, the transfer of funds from Project Y5602 - Amanzimtoti Trunk Sewer where savings have been identified in the 2017/2018 financial year to Project Y8158 - Emergency Support and Re-building of the Umbilo River Trunk Sewer Bridge, the amount of R4 771 350.89 (Four Million Seven Hundred and Seventy One Thousand Three Hundred and Fifty Rand and Eighty Nine Cents) including VAT.

Cost Centre : 65540
Project No. Y8158 : R4 185 395.52 excl. VAT to be met from savings on Project No. Y5602 – Amanzimtoti Trunk Sewer

FC No.: 365/C54
ADOPTED.

2.7 Review of Sewerage Disposal Usercharge Tariffs for 2018/2019 (7/6/1/2):

(Page 46 : Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP-2 EFF-1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in tariffs. Accordingly with the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:

2.7.2 That in order to accommodate the water challenge pertaining to the prevailing drought conditions, the Tariffs for Sanitation user charge contain a provision for a drought tariff surcharge of 15% to apply in the event of the Municipality determining that water conservation measures must be introduced, or being obliged to introduce such measures in terms of legislation.

2.7.3 That subject to the adoption of .1 and .2 above, the City Manager be directed to comply with the provisions of Section 75A (3) and (4) of the abovementioned Act as follows:

2.7.3.1 To display a copy of this resolution and the said tariff of charges conspicuously:-
(a) on the City Hall Notice Board, and
(b) at such other places within the Municipality as the City Manager may determine,

2.7.3.2 To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.7.3.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.

2.7.3.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.7.3.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kaisaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC- 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.8 Review of Sundry Water Tariffs for 2018/2019 (7/6/1/2):
(Page 53: Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP-2 EFF-1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in tariffs. Accordingly with the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:

2.8.2 That subject to the adoption of .1 above, the City Manager be directed to comply with the provisions of Section 75A (3) and (4) of the abovementioned Act as follows:

2.8.2.1 To display a copy of this resolution and the said tariff of charges conspicuously:

   (a) on the City Hall Notice Board, and

   (b) at such other places within the Municipality as the City Manager may determine,

2.8.2.2 To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.8.2.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.

2.9.2.4 To publish in the Ezasegagasini Metro a notice in the following format:

2.8.2.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kaIsaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC - 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.9 Review of Potable Water Tariffs for 2018/2019 (7/6/1/2):
(Page 65: Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP-2 EFF-1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in tariffs. Accordingly with the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:

2.9.2 That in order to accommodate the water challenges pertaining to the prevailing
drought conditions, the Tariffs for Water Consumption contain a provision for a
drought tariff surcharge of 15% to apply in the event of the Municipality determining
that water conservation measures must be introduced, or being obliged to introduce
such measures in terms of legislation.

2.9.3 That subject to the adoption of .1 and .2 above, the City Manager be directed to
comply with the provisions of Section 75A (3) and (4) of the abovementioned Act as
follows:

2.9.3.1 To display a copy of this resolution and the said tariff of charges conspicuously:-
(a) on the City Hall Notice Board, and
(b) at such other places within the Municipality as the City Manager may
determine,

2.9.3.2 To seek to convey the information referred to in the said notice to the public through
the relevant Radio Stations.

2.9.3.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC)
responsible for Co-operative Government and Traditional Affairs.

2.9.3.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.9.3.5 A copy of the said resolution and annexed tariff of charges is available for inspection
at City Hall, Pixley kaIsaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the
Executive Committee the matter was put to the vote. With 183 Councillors
present 126 Councillors (ANC- 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and
APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and
MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote,
ADOPTED.

2.10 Review of Sewerage Disposal Sundry Tariffs for 2018/2019 (7/6/1/2):
(Page 76 : Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting, with
30 Councillors present, 21 Councillors (ANC 18, IFP-2 EFF-1) voted in support of
the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern
that ratepayers were being overburdened by the increase in tariffs. Accordingly with
the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:

2.10.1 That the Council of the eThekwini Municipality resolves in terms of Section 75A of
the Local Government Municipal Systems Act 2000 (Act 32 of 2000) that the tariff
set out in Annexure “A” of the report WS2018/027 of the Head: Water and
Sanitation dated 2018-02-02 be levied with effect from 2018-07-01 be levied in
respect of the supply of the supply of sundry sewage disposal charges.
2.10.2 That in order to accommodate the water challenges pertaining to the prevailing drought conditions, the Tariffs for Sanitation user charge contain a provision for drought tariff surcharge of 15% to apply in the event of the Municipality determining that water conservation measures must be introduced, or being obliged to introduce such measures in terms of legislation.

2.10.3 That subject to the adoption of .1 and .2 above, the City Manager be directed to comply with the provisions of Section 75 A (3) and (4) of the abovementioned Act as follows:

2.10.3.1 To display a copy of this resolution and the said tariff of charges conspicuously:-

(a) on the City Hall Notice Board, and

(b) at such other places within the Municipality as the City Manager may determine,

2.10.3.2 To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.10.3.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.

2.10.3.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.10.3.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kaIsaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC - 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.11 Request for authority to enter into a Memorandum of Agreement with Tongaat Hulett Developments (Pty) Ltd to be refunded for the Design and Installation of Sibaya Bulk Watermain : Construction of a 700mm Diameter continuously Welded Steel Watermain from Waterloo Reservoir to the Sibaya Precinct : Ward 58 and 106 WS2017/059 (23/1/11/1/1/2):

(Page 85: Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

With 30 Councillors present, 18 ANC Councillors voted in support of the recommendations and 12 Councillors (DA-9, EFF-1 and IFP-2) voted against the recommendations.

Accordingly,
COMMITTEE RECOMMENDS:

2.11.1 That Council approves the take-over of the asset which is in consistency with other projects and reimburse an amount of R54 584 125.81 (Fifty Four Million Five Hundred and Eighty Four Thousand One Hundred and Twenty Five Rand and Eighty One Cents) excluding VAT.

2.11.2 That subject to the approval of .1 above, authority be granted to the City Manager to enter into a Memorandum of Agreement with Tongaat Hulett Developments (Pty) Ltd [THD] in respect of THD carrying out the design phase and construction of the Sibaya Precinct trunk watermain and to refund THD reasonable and proven costs, without interest, that has been incurred in designing and construction the trunk watermain to serve the Sibaya Precinct ahead of the original programme.

2.11.3 That subject to the approval of .1 and .2 above, authority be granted to the Deputy City Manager: Finance to include in his adjustment budget report, the transfer of funds from projects where savings have been identified as shown in table below to project X 8112.

2.11.4 That subject to .1, .2 and .3 above, authority be granted to the Head: eThekwini Water and Sanitation to take over this trunk watermain asset on payment to Tongaat Hulett Developments (Pty) Ltd.

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Project Description</th>
<th>amount</th>
<th>Financial year</th>
<th>Reason for Surplus Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1617</td>
<td>Amaotana Reservoir</td>
<td>R19 425 000.00</td>
<td>2017/2018</td>
<td>Over allocation by Finance, Project complete.</td>
</tr>
<tr>
<td></td>
<td>Emoyeni Reservoir</td>
<td>R1 925 000.00</td>
<td>2017/2018</td>
<td>Tenders closed in April 2017, BAC approval provided after S24 in Dec 2017. LOA to be issued by Feb 2018 with commencement in April 2018 as a result of new labour laws for contracts over 40 Million.</td>
</tr>
<tr>
<td></td>
<td>Intathakusa ET and Outlet Pipeline</td>
<td>R5 250 000.00</td>
<td>2017/2018</td>
<td>Tenders for the construction works closed in March 2018. Letter of award is expected in May 2018. Minimal spend on project for the 2017/2018 financial year.</td>
</tr>
<tr>
<td></td>
<td>Maghabeni Reservoir</td>
<td>R4 282 125.81</td>
<td>2017/2018</td>
<td>The final size of reservoir was delayed as a result of inadequate meter readings. Tenders closed in Nov 2017.</td>
</tr>
<tr>
<td></td>
<td>Relays &amp; Extensions Block Sum</td>
<td>R6 471 000.00</td>
<td>2017/2018</td>
<td>Approval for appointment by external contractors still pending. All internal work being undertaken by EWS staff. Minimal spend in the 2017/2018 financial year.</td>
</tr>
</tbody>
</table>
### Project No. | Project Description | amount | Financial year | Reason for Surplus Funding
--- | --- | --- | --- | ---
Reservoir Refurbishment | R6 150 000.00 | 2017/2018 | Projects allocated within this blocksum cannot be completed as a result of poor performance and termination of contract. Minimal spend in the 2017/2018 financial year.
Zwelibomvu Reservoir | R5 000 000.00 | 2017/2018 | The existing period of performance expired in February 2018. Extension to his contract was granted then with work commencing late in 2018. Project will continue in the 2018/2019 financial year.
Blackburn Reservoir | R2 400 000.00 | 2017/2018 | Project completed.
Upgrade of Umbumbulu 12 Outlet Pipeline | R1 000 000.00 | 2017/2018 | Upgrade of pipeline not required. Existing pipeline size adequate to cater for future and existing demand.
Mkhizwana Treatment Works Upgrade | R2 891 000.00 | 2017/2018 | Upgrade of the works is delayed by environmental issues. Minimal spend in the 2017/2018 financial year.

**TOTAL** | **R54 584 125.81** |  |  | 

Cost Centre : 69200
Project No.: R54 584 125.81 To be provided from savings identified in the 2017/2018 Water Capital Budget

**ADOPTED.**

2.12 Proposed Alienation by Lease Property Described as Portion 14 of Erf 775 Queensburgh (17/2/1/2/3):

(Page 136: Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting a request was made for an in-loco inspection of the land in question to be undertaken.

At the Executive Committee meeting, with the Democratic Alliance dissenting,

**COMMITTEE RECOMMENDS:**

2.12.1 That the Municipality declares in terms of Section 34 read with Section 36 of the Municipal Asset Transfer Regulations:

2.12.1.1 That the said property is not required for providing the minimum level of basic Municipal services; and
2.12.1.2 That the property described as Portion 14 of Erf 775 Queensburgh in extent of 3463m² as depicted in SJ Plan No. 4715/8, be leased out by public tender.

2.12.1.3 That the amount of R13 500.00 (Thirteen Thousand Five Hundred Rand) per month, exclusive of VAT be set as an upset rental based on the open market value of the property.

2.12.1.4 That the property described as Portion 14 of Erf 775 Queensburgh be alienated by lease in a public tender process in accordance with the provision of the Preferential Procurement Policy Framework which supports Radical Economic Transformation Framework and the Supply Chain Management Policy.

2.12.2 That the property be alienated by lease for a period of five (5) years with a renewal option for a further three (3) years.

2.12.3 That in the event of objections being lodged to the granting of the lease, the matter be referred for resolution in terms of Section 50 of the Supply Chain Management Policy headed “Resolution of Disputes, Objections, Complaints and Queries”

2.12.4 That in the event of the lease not being concluded within six (06) months from the date of determination of the value of the site, the Head: Real Estate be authorised to review the rental in line with the current market value of the property in the event where there has been a change in the market value.

2.12.5 That subject to the adoption of .1 to .4 above and the approval of the Bid Adjudication Committee, the Head Real Estate be authorised to sign all the documents necessary to conclude the agreement.

ADOPTED.

2.13 Proposed Disposal of Land by Public Tender in the Form of a Lease: Proposed Lease [A] on Portion 253 (of 79) of the Farm Zeekoegat No. 937 and Proposed Lease [B] on Portion 624 of the Farm Klaarwater No. 951 In Extent Approximately 44.83 Hectares (17/2/1/1/3):

With the Committee having requested that an in-loco inspection of the land in question being undertaken,

COMMITTEE RECOMMENDS:

2.13.1 That the Municipality declares in terms of Section 34 and Section 36 of the Municipal Asset Transfer Regulations:

2.13.1.1 That the said property is not immediately required to providing the minimum level of basic Municipal services for the duration of the period of this lease.

2.13.1.2 That subject to the adoption of .1 above, the properties described as Proposed Lease (A) on Portion 253 (of 79) of the Farm Zeekoegat No. 937 and Proposed Lease (B) on Portion 624 of the Farm Klaarwater No. 951 together in extent, approximately 44.83 Hectares be disposed via public tender in accordance with provisions of the Preferential Procurement Policy Framework which supports Radical Economic Transformation Framework and Supply Chain Management Policy for a period of five (5) years with a possibility of renewal for another three (3) years should the said property not be required, at an upset rental of R26 900.00 (Twenty Six Thousand Nine Hundred Rand) per month exclusive of VAT.
2.13.2 That should any adverse comments from National and Provincial Treasury be received, they will be tabled before Council prior to proceeding with the granting of the lease. Conversely, should no comments or no adverse comments be received, the matter to proceed via the Supply Chain Management Policy.

2.13.3 That in the event of objections being lodged to the granting of the lease, the matter be referred for resolution in terms of Section 50 of the Supply Chain Management Policy headed “Resolution of Disputes, Objections, Complaints and Queries”

2.13.4 That in the event of the lease not being concluded within six (06) months from the date of determination of the value of the site, the Head: Real Estate be authorised to review the rental in line with the current market value of the property in the event where there has been a change in the market value.

2.13.5 That subject to the adoption of .1 to .4 above, the approval of the Bid Adjudication Committee, the Head Real Estate be authorised to sign all the documents necessary to conclude the agreement.

REFERENCE BACK

In terms of Rule of Order Bylaw 20(1)(c), Councillor MM Mthembu, seconded by Councillor SA Kaunda, moved as a procedural motion that the above recommendations of the Executive Committee be referred to the Human Settlements and Infrastructure Committee to enable that Committee to undertake an Inspection-in-Loco of the land in question.

CARRIED

The above-mentioned motion to Refer Back was unanimously CARRIED.

Thereafter, it was

RESOLVED:

That the recommendations in respect of the item entitled Proposed Disposal of Land by Public Tender in the Form of a Lease: Proposed Lease [A] on Portion 253 (of 79) of the Farm Zeekoegat No. 937 and Proposed Lease [B] on Portion 624 of the Farm Klaarwater No. 951 In Extent Approximately 44.83 Hectares, be referred to the Human Settlements and Infrastructure Committee to enable that Committee to undertake an Inspection-in-Loco of the land in question.


At the Human Settlements and Infrastructure Committee meeting a request was made for an in-loci inspection of the properties in question to be undertaken.

Accordingly,

COMMITTEE RECOMMENDS:

2.14.1 That the Municipality declares in terms of Section 14(2)(a)(b) of the Municipal Finance Management Act 56 of 2003:-
2.14.1.1 That the said property is not needed to provide the minimum level of basic Municipal services, and

2.14.1.2 That the market value of the asset is R30 000.00 (Thirty Thousand Rand) exclusive of VAT, and economic and community values to be receive have been considered.

2.14.2 That in terms of Section 40(2)(b)(i) of the Supply Chain Management Policy read together with Regulation 7 of the Municipal Assets Transfer Regulations, Proposed Portion [A] (of 1) of Erf 4535 Reservoir Hills, Registration Division FT, in the Province of KwaZulu-Natal in extent approximately 132m² as depicted on Plan No. SJ 4708/3, be sold in Freehold by private treaty to Chalak Properties (Pty) Ltd Registration Number 2012/020020/07 at a price of R30 000.00 (Thirty Thousand Rand) exclusive of VAT, such purchase price reflecting the market value of the land as assessed by a registered Valuer.

2.14.3 That in the event of objections being lodged to the proposed disposal of Proposed Portion [A] (of 1) of Erf 4535 Reservoir Hills, the matter be referred for resolution in terms of Section 50 of the Supply Chain Management Policy headed “Resolution of Disputes, Objections, Complaints and Queries.”

2.14.4 That authority be granted to the Bid Adjudication Committee to consider a report to deviate from the procurement process in order to formally sell Proposed Portion [A] (of 1) of Erf 4535 Reservoir Hills, to Chalak Properties (Pty) Ltd in terms of Section 36(1)(a)(v) of the Supply Chain Management Regulations.

2.14.5 That in the event of the sale not being finalised within six (06) months from the date of Council authority being granted, that a report be submitted by the Acting Head: Real Estate to the Bid Adjudication Committee to review the purchase price in line with current market value of the property where there has been a change in the market value.

2.14.6 That subject to the adoption of 1 to 5 above, the Acting Head: Real Estate be authorized to sign all documents to give effect to the transaction.

ADOPTED.


At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP -2 EFF-1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in tariffs. Accordingly with the Democratic Alliance dissenting.

COMMITTEE RECOMMENDS:

2.15.1 That Council resolves in terms of Section 75A of the Local Government Municipal Systems Act of 2000 (Act 32 of 2000) that with effect from 2018-07-01 the tariffs set out in Annexure “A” - Second Schedule (Energy Tariffs Increases, Tariff Rates & Structures) and Annexure “B” – First Schedule (Schedule of Connection Fees and Charges) of the report LM/EPM/2574 compiled by the Head: Electricity dated 2018-04-16 be levied.
2.15.2 That subject to the adoption of .1 above, the City Manager be directed to comply with the provisions of Section 75A (3) and (4) of the abovementioned Act as follows:

2.15.2.1 To display a copy of this resolution and the said tariff of charges conspicuously:-

(a) on the City Hall Notice Board, and

(b) at such other places within the Municipality as the City Manager may determine,

2.15.2.2 To seek to convey the information referred to in the said notice to the public through the relevant Radio Stations.

2.15.2.3 To send a copy of the notice to the KZN Member of the Executive Council (MEC) responsible for Co-operative Government and Traditional Affairs.

2.15.2.4 To publish in the Ezasegagasini Metro a notice in the following format:-

2.15.2.5 A copy of the said resolution and annexed tariff of charges is available for inspection at City Hall, Pixley kaSaka Seme Street, Durban.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC- 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.16 Rental Adjustments – 2018/2019:
(Page L11 : Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Executive Committee meeting the Democratic Alliance expressed concern that ratepayers were being overburdened by the increase in rental adjustments.

Accordingly with the Democratic Alliance dissenting,

COMMITTEE RECOMMENDS:

That Council reviews and amend the rental adjustment for upgraded Units from 15% to 10% as approved by eThekwini Municipal Council at the meeting held on 25 May 2017, for the 2018/2019 financial year.
Financial Implications:

The proposed increase in rentals of 10% per annum for all rental units will result in an increase in revenue of approximately R5 170 000.00 (Five Million One Hundred and Seventy Thousand Rand) per annum.

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Income Rentals</td>
<td>R69.03 M</td>
<td>R73.7 M</td>
<td>R85.67 M</td>
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<tr>
<td>Less: Salaries and Allowance</td>
<td>(R22.0 M)</td>
<td>(R23.3 M)</td>
<td>(R21 M)</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(R68.6 M)</td>
<td>(R70.7 M)</td>
<td>(R78 M)</td>
</tr>
<tr>
<td>Maintenance</td>
<td>(R10.6 M)</td>
<td>(R11.2 M)</td>
<td>(R12 M)</td>
</tr>
<tr>
<td>Net Deficit</td>
<td>(R32.17 M)</td>
<td>(R30.5 M)</td>
<td>(R25.33 M)</td>
</tr>
</tbody>
</table>

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC- 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

2.17 Proposed Alienation by Lease: Property Described as Erf 2939, Amanzimtoti (L823/2/1) (17/2/1/2/5):

(Page L12 : Human Settlements and Infrastructure Committee - Agenda 2018-05-18)

At the Human Settlements and Infrastructure Committee meeting, with 30 Councillors present, 21 Councillors (ANC -18, IFP-2 EFF-1) voted in support of the recommendations and 9 DA Councillors voted against the recommendations.

Accordingly with the Democratic Alliance abstaining,

COMMITTEE RECOMMENDS:

2.17.1 That the Municipality declares in terms of Section 34 read with Section 36 of the Municipal Asset Transfer Regulations:

2.17.1.1 That the said property is not required for providing the minimum level of basic Municipal services; and

2.17.1.2 That the property described as Erf 2939 Amanzimtoti in extent of 3873m² as depicted in SJ Plan No. 4688/3, be alienated by lease in public tender process in accordance with the provision of the Preferential Procurement Policy Framework which supports Radical Economic Transformation Framework and the Supply Chain Management Policy.
2.17.1.3 That the amount of R50 000.00 (Fifty Thousand Rand) per month, exclusive of VAT be set as an upset rental based on the open market value of the property.

2.17.2 That the property be alienated by lease for a period of twenty (20) years without an option to renew.

2.17.3 That in the event of objections being lodged to the granting of the lease, the matter be referred for resolution in terms of Section 50 of the Supply Chain Management Policy headed “Resolution of Disputes, Objections, Complaints and Queries”

2.17.4 That in the event of the lease not being concluded within six (6) months from the date of determination of the value of the site, the Head: Real Estate be authorised to review the rental in line with the current market value of the property in the event where there has been a change in the market value.

2.17.5 That subject to the adoption of .1 to .4 above and the approval of the Bid Adjudication Committee, the Head Real Estate be authorised to sign all the documents necessary to conclude the agreement.

ADOPTED.

3. REQUEST FOR APPROVAL OF THE INNER CITY REGENERATION IMPLEMENTATION PROGRAMME (3/2/1)

(Page 21)

Noteworthy is that the Inner City is the most important precinct within the entire City of Durban and remains the largest revenue generator for the City in terms of contribution to over 50% of the City’s rates. The Inner City Regeneration Implementation Programme was therefore welcomed in view of its strategic objective to ensure the implementation of the Master Plan and establish the Inner City Development Entity in line with the recommendations of the Inner City Master and Regeneration Strategy.

A request was made for the Councillor component of the implementation of the Inner City Regeneration programme to be all inclusive in terms of Political affiliation.

Accordingly,

COMMITTEE RECOMMENDS:

3.1 That in order to establish the Inner City Development Entity in line with the recommendations of the Inner City Master and Regeneration Strategy and to ensure the implementation of the Master Plan, the strategic facilitation and management of the Inner City Regeneration Implementation Programme by the Deputy City Managers of both Economic Development & Planning and Trading Services, in consultation with other Deputy City Managers, be noted.

3.2 That the establishment of the Inner City Regeneration Implementation team as championed by both the Heads of Development Planning, Environment and Management and Cleansing and Solid Waste with necessary mandate and authority as established by Her Worship the Mayor and City Manager, be noted.
3.3 That subject to .1 and .2 above, the Implementation Team be requested to undertake a detailed assessment on the implementation plan together with estimated budget requirements and report back to Council for approval.

3.4 That the City Manager be requested to dedicate additional resources in the form of human capital and equipment to the programme for a period of thirty six (36) months and be reviewed on a quarterly basis, in line with the available budget.

**ADOPTED.**

4. DURBAN TRANSPORT FARE INCREASE (7/6/1/7)

(Page 34)

It was contended that the report was in conflict with the Budget Statement Report indicating Council was owed R260 million by Tansnat, hence the request for an increase was unwarranted. It was further pointed out that many complaints had been received by commuters on the level of service being provided and therefore the question of liability should be ascertained.

In response it was noted that in order to keep up with inflation and costs that would render the current level of services to be maintained, Clause 25.2 of the contract with Durban Transport stipulates that fares should be increased annually. The recommendation was therefore informed by an independent investigation by the Provincial Department of Transport that indicated shifts, inflationary or otherwise and thus the 8% increase in fares was termed reasonable.

Further, Council was obliged by the aforesaid Clause and the question of liability would be addressed in a report upon finalization of the matter. Reference was made to the current lease on a monthly basis as deemed permissible by the Auditor General.

With the IFP abstaining to enable its Caucus to consider the report in the first instance and with the Democratic Alliance dissenting,

**COMMITTEE RECOMMENDS:**

4.1 That in line with Clause 25.2 of the Durban Transport Contract stipulating that fares be increased annually, the fare increase of 8 percent as recommended by the Transport Economic Support Services (TESS) from an independent assessment of the actual cost increase in fuel; labour; and other operating costs, be approved, it being recorded that existing fare concessions for Scholars, Pensioners and People with Disabilities would be retained.

4.2 That in order to prevent under-recovery and further ensure that the current levels of service are maintained, the implementation of the increase be effective from 01 June 2018.

**During discussion of the abovementioned item some Councillors expressed concern on the unreliability of the services provided by Durban Transport which was further exacerbated by issues related to the age and state of the buses and accountability in terms of the debt owed to Council. Of further concern was that many of the costs claimed by Durban Transport were items that were not**
catered for in the City’s budget statement. The management of the services was shockingly insufficient, much to the detriment of commuters in the City. The repeated promise since 2015 to appoint a Task Team had not materialised and Council were now faced with fare increases due to high maintenance costs. Given that commuters in the City should be provided with affordable and efficient transport it was suggested that the fare increase be held in abeyance until such time the matter had been resolved.

In response, Councillors were reminded of the undertaking by the Deputy City Manager: Finance to address all unresolved issues pertaining to Durban Transport and a report submitted thereto, hence the allegations made would become null and void upon receipt of the report.

The matter was thereafter put to the vote. With 169 Councillors present, 104 Councillors (ANC – 102 and AIC – 2) voted in favour and 64 Councillors (DA – 54, IFP – 7, ACDP – 1, DLC – 1 and MOSA – 1) voted against. 1 Councillor abstained from voting.

The above recommendations of the Executive Committee were, by the majority vote, ADOPTED.

5. CONTRIBUTIONS TOWARDS THE HOSTING OF THE UCLG CONGRESS 2019: WORLD SUMMIT OF LOCAL AND REGIONAL LEADERS (14/2/1/1/1)

With confirmation being given that the National Department of Co-operative Governance & Traditional Affairs had verbally committed to contributing an amount of R8 000 000.00 (Eight Million Rand) to the hosting of the UCLG Congress 2019,

COMMITTEE RECOMMENDS:

5.1 That further to the detailed report informing Council of the UCLG Congress and its commitments thereon

5.1.1 That the financial obligations associated with hosting of the UCLG Congress 2019: World Summit of Local and Regional Leaders, be noted

5.2 That the written confirmation from the South African Local Government Association (SALGA) regarding their cost apportionment, be noted.

5.3 That the shortfall of R4.4 million and the maximum limit of R14.4 Million in the funding of the Congress, be approved, it being recorded that the upper limits will be dependent on sponsorship from both the National and Local Governments.

Financial Implications:

<table>
<thead>
<tr>
<th>Costs Items</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>Revenue Streams</th>
</tr>
</thead>
<tbody>
<tr>
<td>UCLG Franchise Cost**</td>
<td>R1 754 400.00</td>
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<td>Conference Fees</td>
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<tr>
<td>UCLG Administrative Costs**</td>
<td>R2 190 000.00</td>
<td>R1 754 400.00</td>
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<td>National Convention Bureau</td>
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<td></td>
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<td>R1 000 000.00</td>
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### Costs Items

<table>
<thead>
<tr>
<th>Costs Items</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>Revenue Streams</th>
</tr>
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<tbody>
<tr>
<td>UCLG Global Campaign**</td>
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<td>R1 754 400.00</td>
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<td>Exhibition Fees</td>
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<td>UCLG Sponsored Delegates**</td>
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<td></td>
<td>R1 500 000.00</td>
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<td>UCLG Travel and Prep meetings</td>
<td>R100 000.00</td>
<td>R200 000.00</td>
<td>R200 000.00</td>
<td>SALGA Apportionment towards UCLG Costs Items (30% of the cost of the cost of Congress)</td>
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<tr>
<td>ICC Venue</td>
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<td>R14 096 160.00</td>
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<td>Public Realm Upgrades (to funded from Capital Budget)</td>
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<tr>
<td>Staff Costs Metro Police and Volunteers (to be funded from Operational Budget)</td>
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<td>R3 000 000.00</td>
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<td>R2 000 000.00</td>
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<td>Study Tours</td>
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<td>Printing and Media</td>
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<tr>
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<td>Airport Transfers</td>
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<tr>
<td>VIP Transfers</td>
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<tr>
<td><strong>Total per Financial Year</strong></td>
<td>R6 234 400.00</td>
<td>R6 458 800.00</td>
<td>R34 992 720.00</td>
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<table>
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<th>2019/20</th>
<th>Revenue Streams</th>
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<tr>
<td>Exhibition Fees</td>
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<tr>
<td>Exhibition Fees of Congress</td>
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<td></td>
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</tr>
</tbody>
</table>

**Total Expenditure** | **R47 685 920.00**
**Total Revenue**     | **R43 256 160.00**
**Funding Shortfall** | **R4 429 760.00**

**ADOPTED.**

6. **HOSTING OF SUMMIT FOR TRADITIONAL HEALERS AND COMPLEMENTARY PRACTITIONERS (13/2/1/1/1)**

(Page 50)

**COMMITTEE RECOMMENDS:**

That authority be granted to the Acting Deputy City Manager: Community & Emergency Services to host the Traditional Healers and Complementary Medicine Practitioner 2-day Summit at an estimated costs of R1 382 500.00 (One Million Three Hundred and Eighty Two Thousand Five Hundred Rand), scheduled to take place on 2018-05-31 at the Curries Fountain Stadium, which Summit is aimed at
strengthening collaboration between Traditional Healers and the Public Health Sector in a bid to manage the scourge of HIV/AIDS, Sexually Transmitted Infections and Tuberculosis, in addition to other diseases, thus providing an integrated, diverse and safe health care for the residents of eThekwini.

Financial Implications:

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Item</th>
<th>Funding</th>
<th>Costing</th>
<th>Project</th>
<th>Region</th>
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<td>12120</td>
<td>0000</td>
<td>35000.4</td>
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</table>

Amount: R1 382 500.00; FC 20/2017
ADOPTED.

7. APPROVAL OF THE FINAL DRAFT 2018/2019 BUILT ENVIRONMENT PERFORMANCE PLAN (BEPP) (2/10/1/1/1 & 7/4/2)

(Page 57)

A presentation on the Built Environment Performance Plan (BEPP) that was a requirement under the Division of Revenue Act summarized the essence of accessing grant funding from National Treasury.

The BEPP was welcomed considering that development in the past had catered for a single race group, however concerns were raised on issues relating to insufficient infrastructure, development of outlying areas, linking of corridors and timeframes for implementation of the plan.

Confirmation was given that the BEPP was directed mainly at mixed use between low and high income groups and integration of races. In terms of outlying areas developments have been facilitated to enrich the lives of those communities, a case in point being the Keystone project. BEPP was further regarded as a guiding principle in terms of prioritization of key areas related to economic development, it being noted that the responsibility of the various Clusters were in sync with the BEPP. Noteworthy was that resources and institutional structures were also critical to the implementation of the BEPP with Key Performance Indicators being included to the spending to ensure that the baseline would be shifted in the proper direction.

The establishment of a Multi-Disciplinary Team would enable the implementation to be monitored with the state of the current infrastructure being assessed by the Asset Management Team.

Accordingly,

COMMITEE RECOMMENDS:

7.1 That the 2018/2019 Built Environment Performance Plan (BEPP) developed in compliance with the Division of Revenue Bill 2017 and which serves to integrate Spatial Planning tools, Infrastructure implementation tools and also enable the release by National Treasury of major Built Environment Grants, be approved.

7.2 That a workshop to unpack the BEPP in preparation for the 2019/2020 BEPP and Medium Term Expenditure Framework (MTEF) process be convened with the Political Leadership.
It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC-112, IFP-8, IND-1, AIC-2, MF-1, TA-1 and APC-1) voted in favour and 57 Councillors (DA-54, ACDP-1, DLC-1 and MOSA-1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, **ADOPTED.**

8. REPORT ON INVESTMENTS FOR THE PERIOD 31 MARCH TO 30 APRIL 2018 (7/11/4)

(Page 62)

**COMMITTEE RECOMMENDS:**

That the report on investments for the eThekwini Municipality as at 2018-04-30, which records the total funds invested at financial institutions as R7 746 Million at an average rate of return on investments of 7.79%, as submitted by the City Manager, in line with the requirements of the Municipal Cash Management and Investment Regulations of the Municipal Finance Management Act, 2003, be **NOTED.**

9. APPROVAL OF THE FINAL DRAFT 2018/2019 INTEGRATED DEVELOPMENT PLAN (2/1/6/1)

(Page 68)

With the Democratic Alliance abstaining,

**COMMITTEE RECOMMENDS:**

9.1 That the 2018/2019 Integrated Development Plan (IDP) of the eThekwini Municipality reviewed in line with the requirements of the Municipal Systems Act No 32 of 2000 to facilitate inclusive transformational and developmental issues within the eThekwini Municipal area, be adopted, it being recorded that stakeholder input had been considered in the finalization of the IDP.

9.2 That upon adoption of the 2018/2019 IDP, copies of the approved IDP be forwarded to the Provincial MEC for Co-operative Governance and Traditional Affairs.

**It was noted that this item had been considered in conjunction with the Budget.**

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC-112, IFP-8, IND-1, AIC-2, MF-1, TA-1 and APC-1) voted in favour and 57 Councillors (DA-54, ACDP-1, DLC-1 and MOSA-1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, **ADOPTED.**
10. **ADOPTION OF THE FINAL DRAFT 2018/2019 MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (21/5/1)**

(Page 71)

With the Democratic Alliance abstaining,

**COMMITTEE RECOMMENDS:**

10.1 That, in line with the requirements of the Municipal Systems Act No. 32 of 2000 and the Spatial Planning and Land Use Management Act No. 16 of 2013, the revised Spatial Development Framework 2018/2019 developed to guide the desirable spatial distribution of land uses within the Municipality and prioritizes areas for spatial interventions, be adopted, it being recorded that the Spatial Development Framework (SDF) is aligned with Provincial and Municipal sector plans and strategies and that stakeholder input had been considered in the finalization of the SDF.

10.2 That upon adoption of the 2018/2019 SDF, copies of the approved SDF be forwarded to the Provincial MEC for Co-operative Governance and Traditional Affairs and a notice being gazetted in terms of Section 20(1) of the Spatial Planning and Land Use Management Act, 2013 (Act No 16 of 2013) in fulfillment of the legislative requirements.

**It was noted that this item had been considered in conjunction with the Budget.**

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC – 112, IFP – 8, IND – 1, AIC – 2, MF – 1, TA – 1 and APC – 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, **ADOPTED.**

11. **DURBAN TRANSPORT MUNICIPAL BUS SERVICE: ESTABLISHMENT OF A MUNICIPAL ENTITY (26/3/1/2 & 4/1/1/2/2)**

(Page 112)

Being in support of the establishment of an Entity for the bus service, concerns were expressed on the challenges experienced since the privatization of the Durban Transport bus service, expressing the view that there ought to be political will to ensure that a workable, competitive system would be in place.

A further concern was that the status quo on the challenges between Tansnat and Council could hinder the smooth running of the process.

Given that a properly run Entity would be in the best interests of the commuters at large, it was pointed out that an interim measure was required until such time that the pros and cons of the Entity were considered. Also Council was compelled to consider an alternate mechanism, taking cognizance that privatization of the bus service would preclude Council from having leverage on the manner in which services would be rendered to the public.
With the Democratic Alliance abstaining,

COMMITTEE RECOMMENDS:

11.1 That the Municipality’s solicitation of the views and recommendations of the National Treasury, the KZN Provincial Treasury, the National COGTA Department, the KZN Provincial COGTA Department and the KZN MEC for COGTA for the establishment of a Municipal Entity, be noted.

11.1 That in an endeavor to establish a Municipal Entity that would provide a reliable bus service to the public, the City Manager be authorized to proceed with the proposed establishment of the Durban Transport Municipal Entity, taking into consideration the Municipality’s staff, assets and liabilities.

11.1.3 That regular reports on progress thereof be submitted to Council.

Financial Implications:
The Durban Transport bus service subsidy is co-funded by eThekwini Municipal Council and Provincial Department of Transport. An annual budget of approximately R220 Million is allocated annually. The provincial subsidy of approximately R200 Million per annum is allocated from the Public Transport Operations Grant (PTOG), which is a National Grant for subsidized bus service. The only additional costs will be the once off Municipal Entity Establishment costs. The bus fare income of approximately R18 Million per month will be utilized to sustain the operational cost of service (Salaries of Management and Staff, diesel and other related costs).

ADOPTED.

12. BUDGET STATEMENT REPORT FOR THE MONTH ENDING 30 APRIL 2018

COMMITTEE RECOMMENDS:

That the Budget Statement Report for the month ending 2018-04-30, submitted by the City Manager as per his report dated 2018-05-18, in compliance with Section 71 of the Municipal Finance Management Act and Section 28 of the Municipal Budget and Reporting Regulations in terms of Government Notice 32141 dated 17 April 2009, relating to the “Local Government: Municipal Finance Management Act 2003, be noted.

NOTED.

13. REVISED SUPPLY CHAIN MANAGEMENT POLICY 2018 (9/P)

The importance of approving the revised Supply Chain Management Policy 2018 was acknowledged, especially for the implementation of Radical Economic Transformation (RET) and empowering the Officials of the Supply Chain Management Unit to carry out their required functions.
Committee shared the view of the Democratic Alliance that more time was required to study the document. However in view of the need to fast track RET

COMMITTEE RECOMMENDS:

13.1 That in the interim and in order to enable sufficient time for the revised Supply Chain Management Policy to be studied, the following policy amendments be approved:

13.1.1 Item 3.13 of the policy relating to Preferential Procurement and as indicated hereunder be approved:

“Radical Economic Transformation Framework approved by the Council also provides for empowerment initiatives for contracts with transaction value between R5 million and R30 million inclusive of VAT. Likewise this review has included this threshold as it enjoys a Council Resolution. The current Supply Chain Management policy only provides for empowerment initiatives for contracts with transaction value above R30 million Vat inclusive.”

13.1.2 Item 28 relative to the Bid Evaluation Committee, by the deletion of the words in Item (a) thereof “approve the evaluation” and by the substitution therefor of the word “evaluate” to read as follows

“(1) The Bid Evaluation Committee must:
   (a) Evaluate bids in accordance with”

13.1.3 That the remaining amendments to the Policy, together with any further input from Deputy City Managers and Caucuses, be submitted to a future meeting of the Executive Committee and Council for consideration.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC – 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

14. QUARTERLY AUDIT COMMITTEE REPORT FOR THE FIRST AND SECOND QUARTER ENDED 31 DECEMBER 2017 (2/10/1/1)

The Audit Committee Report for the First and Second Quarter ended 31 December 2017 was presented with amongst others, the following issues of concern being highlighted:

- Unsigned reports submitted by Officials to the Audit Committee.
- A need for the Combined Assurance framework model to be implemented to avoid repetition.
- Reasons for deviation to be included in Section 36 reports.
- Role of ICT was unclear in the Business Continuity Report.
- Merging of Internal Audit with the City Integrity & Investigations Unit.
- Integration in the maintenance of Water and Sanitation in accordance with the plan.
- Pro rata reporting on Annual Performance to ensure progressive monitoring of annual targets.
- Poor implementation of Risk Management by Risk Champions.
- Reports of incidents that had occurred should be entailed in the Health & Safety reports.
- Due to resistance, the slow move in the merger of ICT staff with the Electricity Unit.
- The importance of Succession Planning especially in the identification of core positions.
- Grievance Management Report is vital to manage grievances.
- Risk tolerance needed to be clearly defined.
- Sustainability of the Durban ICC especially by the intention of Provincial Government to construct conference centres in Pietermaritzburg and Richards Bay. Shortfall and injection of cash flow into Ushaka Marine World.
- Non alignment of IDP and Scorecard in terms of linkage to the SDBIP.

Having acknowledged the efforts by the Audit Committee, the view was expressed that many of the issues presented were historical, hence accountability will be an aspect to be taken into consideration. In view of there being insufficient time to adequately peruse the report, a request was made for the Audit Committee report to be submitted timeously.

Thereafter,

COMMITTEE RECOMMENDS:

That the Audit Committee Report for the First and Second Quarter of 2017/2018 from July 2017 to December 2017, respectively, submitted in terms of Section 166 (2) of the Municipal Finance Management Act No. 56 of 2003, to advise Council on the activities of the Audit Committee and the results of its quarterly reviews of the systems of internal control; risk management; financial management; performance and financial reporting; organizational performance management and evaluation; internal audit function and outcomes; fraud and corruption matters brought to the attention of Council, be noted.

NOTED.
15. BUDGETS 2018-2019 – 2020/2021 (MTREF) (7/13/1)

With the Democratic Alliance and IFP abstaining

COMMITTEE RECOMMENDS:

15.1 That the budget for 2018/2019 - 2019/20; and 2020/21 MTREF of the eThekwini Municipality and its Entities tabled in terms of Section 24 of the Municipal Finance Management Act, No.56 of 2003, be adopted.

15.2 That, it be noted that the details of the budget are contained in the budget documentation circulated separately, in accordance with the Municipal Finance Management Act, No.56 of 2003.

15.3 Estimates of Income and Expenditure:

15.3.1 That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the municipality for the financial year 2018/19; and indicative allocations for the two projected outer years 2019/20 and 2020/21; and the multi-year and single year capital appropriations are approved as set-out in the following tables of the budget document:

- Budgeted Financial Performance (Revenue and Expenditure by Standard Classification) (Table A2; Page 68)
- Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote) (Table A3; Page 69)
- Budgeted Financial Performance (Revenue by Source and Expenditure by Type) (Table A4; Page 70)
- Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source (Table A5; Page 71)

15.3.2 That the financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are adopted as set out in the following tables:

- Budgeted Financial Position (Table A6; Page 73)
- Budgeted Cash Flows (Table A7; Page 75)
- Asset Management (Table A9; Pages 77-79)
- Basic Service Delivery Measurement (Table A10; Page 80)

15.4 Municipal Entities:

That the Municipal Entities budget as reflected on pages 310 to 337 of the budget documentation be approved.

15.5 Recapitulation: Valuation of Rateable Property:

15.5.1 That it be recorded that the recapitulation certificate summarising the valuations of rateable property, as certified by the City Valuer, is laid on the table.
15.5.2 The following resolutions, pertaining to property rates (items 15.6 to 15.11) and in conformity with the provisions of Section 14 of the Local Government: Municipal Property Rates Act 6 of 2004 and Sections 17 (3) (a) (ii) and 24 (2) (c) (i) of the Local Government: Municipal Finance Management Act 56 of 2003, be adopted.

15.6 Determination of Rates:

15.6.1 In terms of Section 8 of the Local Government: Property Rates Act, 2004 read together with the Rates Policy, as amended, and to be adopted with the current budget, the Municipality may levy different Rates for different categories of Property.

15.6.2 That the rate randage for the said financial year for the eThekwini Municipality, be and is hereby assessed and levied for the following categories at:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential at</td>
<td>1.1191</td>
<td>1.1255</td>
<td>1.2032</td>
</tr>
<tr>
<td>Agricultural at</td>
<td>0.2798</td>
<td>0.2814</td>
<td>0.3008</td>
</tr>
<tr>
<td>Industrial at</td>
<td>3.2748</td>
<td>3.2936</td>
<td>3.5208</td>
</tr>
<tr>
<td>Business and commercial at</td>
<td>2.5375</td>
<td>2.5520</td>
<td>2.7281</td>
</tr>
<tr>
<td>Public service infrastructure at</td>
<td>0.2798</td>
<td>0.2814</td>
<td>0.3008</td>
</tr>
<tr>
<td>Vacant land at</td>
<td>5.0176</td>
<td>5.0464</td>
<td>5.3946</td>
</tr>
<tr>
<td>Unauthorised or illegal development or use and abandoned property or building at</td>
<td>7.8337</td>
<td>7.8787</td>
<td>8.4223</td>
</tr>
<tr>
<td>Rural Residential at</td>
<td>1.1191</td>
<td>1.1255</td>
<td>1.2032</td>
</tr>
<tr>
<td>Urban Development Line at</td>
<td>1.6558</td>
<td>1.6653</td>
<td>1.7802</td>
</tr>
</tbody>
</table>

Multiple-Use Property will be dealt with in accordance with the Rates Policy.

15.7 Exemptions, Rebates and Reductions:

That the following reductions on the market value of the property and rebates on the rates payable, be and are hereby granted in accordance with the Rates Policy.

15.7.1 Residential Property:

That in addition to the statutory reduction of R15 000, a further reduction of R105 000 be and is hereby approved for property values exceeding R230 000. The conversion of the aforementioned residential reduction into an application driven rebate is hereby extended by one year to the 2018/2019 financial year.

15.7.2 Public Benefit Organisations:

That on application and approval, only Public Benefit Organisations listed in Clause 7.5 of the Municipality’s Rates Policy 2017/2018 shall receive an exemption from rates.
15.7.3 Senior Citizens, Disability Grantees / Medically Boarded Persons and Child Headed Households:

15.7.3.1 That in addition to the reduction in 15.7.1 above, a rebate not exceeding R4,364 or such lesser amount as may otherwise be payable, be and is hereby approved for qualifying Senior Citizens, disability grantees / medically boarded persons and child headed households as defined in the rates policy.

15.7.3.2 That it be and is hereby resolved to place a maximum limit of R2 million on the value of the property, in order to qualify for the Senior Citizens rebate in (15.7.3.1) above.

15.7.3.3 That it be and is hereby resolved that a rebate under Clause 7.2.2.(g) of the rates policy may be granted to qualifying Senior Citizens who are trustees in a trust, notwithstanding that an independent professional person also holds office as a trustee and does not meet the qualifying criteria.

15.7.4 Life Rights Schemes and Retirement Complexes:

That on application and approval, a 25% rebate be granted to qualifying Life Rights Schemes and Retirement Complexes registered in terms of the Housing Development Scheme for Retired Persons Act 65 of 1988.

15.7.5 Schools Not for Gain:

That a rebate of 50% be and is hereby granted to qualifying schools not for gain.

15.7.6 Bed and Breakfast Undertakings:

That on application and approval, a rebate of 50% be granted to all Bed and Breakfast establishments that satisfy the requirements of the Rates Policy, as amended.

15.7.7 Guest House Undertakings:

That on application and approval, a rebate of 25% be granted to all Guest House undertakings that have a valid Registration Certificate issued by eThekwini Municipality.

15.7.8 Back–Packer Lodges, Holiday Accommodation and Student Accommodation:

15.7.8.1 That on application and approval, the following rebates shall apply to Back-packer establishments that satisfy the requirements of the Rates Policy, as amended:

a) Where up to 40 beds are available to guests, a rebate not exceeding 50% will apply;

b) Where up to 80 beds are available to guests, a rebate not exceeding 25% will apply;
15.7.8.2 That on application and approval, property let out for the purposes of Holiday Accommodation, be granted a rebate of 64%.

15.7.8.3 That on application and approval, property let out for the purposes of Student Accommodation, be granted a rebate of 25%.

15.7.9 Natural and Other Disasters:

15.7.9.1 That on application and approval a temporary rebate of 75% be granted in respect of property damaged by disaster for a period of six months or a portion thereof.

15.7.9.2 That on application and approval, a further temporary rebate of 75% be granted thereafter, for a period not exceeding six months.

15.7.9.3 That the rebate is granted on the category of property prior to damage.

15.7.10 Vacant Land:

That the reduction of R30 000 on the market value of Vacant Land located in ‘outside the Urban Development Line’, as defined in the amended Rates Policy, be granted.

15.7.11 Municipal Properties:

All municipal owned properties are exempted from property rates, except for Trading Services.

15.7.12 Nature Reserves and Conservation Areas:

That on application and approval, nature reserves and conservation areas shall be excluded from rates.

15.7.13 Economic Development:

On application and approval by Council, all non-residential developments which fall within the City, as contemplated in the Economic Development Incentive Policy of Council read together with the Rates Policy shall receive a rebate limited to:

(i) Green Field Development as defined in the Rates Policy; and
(ii) Brown Field Development as defined in the Rates Policy.

and as per the table below:

<table>
<thead>
<tr>
<th>VALUE OF DEVELOPMENT R (MILLIONS)</th>
<th>REBATE ON TAX PAYABLE IN PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 50</td>
<td>15%</td>
</tr>
<tr>
<td>51 - 150</td>
<td>25%</td>
</tr>
<tr>
<td>151 - 300</td>
<td>50%</td>
</tr>
<tr>
<td>301 and above</td>
<td>65%</td>
</tr>
</tbody>
</table>
15.7.14 Special Rating Areas:

15.7.14.1 That the existing Special Rating Areas as indicated in Annexure A be and are hereby noted.

15.7.14.2 That in respect of the Special Rating Areas, additional rates, as indicated in Annexure A hereto, be approved and levied in respect of each category of property within the boundaries of the Special Rating Area.

15.7.14.3 That for the purposes of Clause 9.3.1.2 of the Rates Policy, the minimum total value of properties, be determined at R400 Million.

15.7.15 Consulates:

That property owned by Consulates be valued and rates be raised and recovered from the Department of International Relations and Co-operation in terms of the Diplomatic Immunities and Privileges Act 2001 (Act 37 of 2001).

15.8 Phasing in of Rates:

15.8.1 That the following phasing in of rates be and are hereby approved subject to Section 21 of The Local Government: Municipal Property Rates Act 6 of 2004:

15.8.1.1 A rate levied on newly rateable property must be phased in over a period of three financial years.

15.8.1.2 A rate levied on property belonging to a Land Reform Beneficiary or his or her heirs must, after ten years from the date on which such beneficiary’s title was registered in the office of the Registrar of Deeds, be phased in over a period of three financial years.

15.8.2 The phasing in discount on properties referred to in (15.8.1.1) and (15.8.1.2) above will apply as follows:

a) 75% in the first year  
b) 50% in the second year  
c) 25% in the third year

15.8.3 A rate levied on newly rateable property owned and used by organizations conducting specified public benefit activities and registered in terms of the Income Tax Act for those activities must be phased in over a period of four financial years, with the following phasing in discounts:

a) 100% in the first year  
b) 75% in the second year  
c) 50% in the third year  
d) 25% in the fourth year
15.9 Flat Service Charge Rate for Formal Properties Valued Below R185 000 and Informal Settlements Where Water and Ablution Facilities Have Been Provided:

That a flat service charge rate be investigated for formal properties valued below R 185 000 and those informal settlements where water and ablution facilities have been provided.

15.10 Date of Operation of Determination of Rates:

That this determination comes into operation on 1 July 2018.

15.11 Final Date for Payment of Rates:

15.11.1 Where rates are payable in monthly instalments, such payments shall be in twelve (12) equal or near equal instalments payable 21 days from the date of account.

15.11.2 Where rates are payable annually the final date for payment shall be 31 October 2018, provided that where this date falls on a Sunday or public holiday payment shall occur on the last working day prior to such Sunday or public holiday.

15.12 Administration Charge on Arrear Rates:

That the administration charge on arrear rates as referred to in Section 10.7 of the Credit Control and Debt Collection Policy is determined at 10%. Collection of arrear rates is in accordance with the Credit Control and Debt Collection Policy.

15.13 Interest on Arrears:

That the interest rate to be applied to arrear accounts, shall be the interest rate as prescribed by Regulation 9 of the Municipal Property Rates Regulations, 2006.

15.14 Other Tariffs and Charges:

15.14.1 That other tariffs and charges as circulated with the budget document in terms of section 24(2)(c)(i) and (ii be approved for the financial year commencing 01 July 2018.

15.14.2 That NERSA’S proposed municipal Electricity Tariff guideline increase of 6.84 %, be hereby approved by Council, it being recorded that the application supporting this tariff increase is yet to be processed by NERSA. Any changes to NERSA’s proposed tariff increase will need to be considered by the Council.

15.14.3 That the average Water tariff increases of 15.0 % for residential properties and 15.5 % for commercial properties be hereby considered by Council

15.15 Domestic Water Debt Relief Programme:

That it be and is hereby resolved to place a maximum limit of R250 000 on the rateable value of the property in order to qualify for the Water Debt Relief Program.
15.16 Budget Related Policies:

15.16.1 Rates Policy:
That the Rates Policy adopted by Council on 26 April 2018 remains unchanged and is hereby approved.

15.16.2 Credit Control and Debt Collection Policy:
That the Credit Control and Debt Collection Policy adopted by Council on 26 April 2018 remains unchanged and is hereby approved.

15.16.3 Tariff Policy:
That the Tariff Policy as adopted by Council on 31 May 2017 remains unchanged for the 2018/19 financial year.

15.16.4 Funding and Reserves Policy:
That the Funding and Reserves Policy adopted by Council on 3 May 2010 has been reviewed and remains unchanged.

15.16.5 Budget Policy:
That the Budget Policy adopted by Council on 23 February 2011 has been reviewed and remains unchanged.

15.16.6 Investment Framework Policy and Borrowing Policy:
That the reviewed Investment Framework policy and Guidelines as adopted by Council on 2017-06-28 remains unchanged.

15.16.7 Supply Chain Management Policy
That the Supply Chain Management Policy as amended be adopted with the final budget.

15.16.8 Other Budget Related Policies:
That in terms of Section 24(2)(c)(v) of the Municipal Finance Management Act, 56 of 2003, there are no proposed amendments to any other budget related policies.

15.17 Capital Expenditure Estimate:
15.17.1 That in those instances where information has been provided in terms of Section 19(2)(b) of the Municipal Finance Management Act No. 56 of 2003, together with project procurement scheduling, the approval of the capital budget constitutes project approval for the specific projects as reflected in the detailed capital budget. It being noted that project budgets will be re-prioritised if departments fail to submit their project procurement schedules.
Where information in terms of Section 19(2)(b) is not provided, specific project approval is to be sought from Council during the course of the year and that approval by Council be given only if the report seeking approval is accompanied by the specific project procurement schedule.

That the capital budget procurement process commences with the approval of the tabled budget.

The spend on the capital budget for the first 6 months of the financial year is targeted at not less than 35%.

**Borrowings to Finance the Capital Budget:**

That authority be sought from Council for the raising of appropriate long term debt in terms of Section 46 of the Municipal Finance Management Act No 56 of 2003, to finance in part the municipality’s capital budget over the MTREF period. In this regard authority is sought to raise an amount of R1 billion per annum over the MTREF period.

**Housing/Hostels Deficit:**

That the estimated Formal Housing Deficit of R 31m for the 2018/2019 financial year be met from the Rate Fund.

That the estimated New Development Housing and Hostels deficit of R578.4m be funded from the Rate Fund.

That appropriate interventions be escalated by the Executive Committee including, inter alia, the phased introduction of economic rentals, the constructive engagement of the Provincial State Authorities to secure additional funding and strategies to reduce electricity and water consumption.

**New Functions/ Services:**

That no new functions or service be introduced without specific approval thereto by the Council after full consideration of the effect thereof on the Council’s Budget. In addition the budgets pertaining to new functions or services can only be approved in principle and thereafter would have to be prioritised in terms of the Integrated Development Plan together with all other submissions that have been received.

**Measurable Performance Objectives:**

That in terms of Section 24(2)(c)(iii) of the Municipal Finance Management Act No. 56 of 2003, the measurable performance objectives for capital and operating expenditure by vote for each year of the medium term revenue and expenditure framework as set out in Table SA7 (Page 148) be approved.

**Integrated Development Plan (IDP):**

That the draft reviewed Municipality’s Integrated Development Plan (IDP) was tabled with the budget in terms of Section 17(3)(d) of the Municipal Finance Management Act No.56 of 2003, it being recorded that the annual review process as prescribed in terms of Section 34 of the Municipal Systems Act, is continuing and that report to the Executive Committee will be submitted on completion of the consultative process.
15.23 **Particulars of Investments:**

That in terms of Section 17 (3) (f) of the Municipal Finance Management Act No. 56 of 2003, particulars of the Councils investments are reflected in Tables SA15 - SA16 (Pages 158 - 159).

15.24 **Remuneration of Councillors and Senior Officials:**

That in terms of Section 17(3)(k) of the Municipal Finance Management Act No.56 of 2003 that the proposed cost to Council of the salary, allowances and benefits of each political office bearer, councillor and senior officials of the municipality and its entities, is reflected in Table SA23 (Page 169).

15.25 **Unfunded Mandates:**

That the Council make representation to the Provincial and National Government regarding unfunded mandates presently undertaken by the Municipality with a view to securing funding for those services. The cost of unfunded mandates is set out hereunder:

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost (R’m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Libraries</td>
<td>303.3</td>
</tr>
<tr>
<td>Health – other than municipal health services</td>
<td>357.4</td>
</tr>
<tr>
<td>Museums</td>
<td>71.0</td>
</tr>
<tr>
<td>Housing: New Development and Hostels</td>
<td>578.4</td>
</tr>
<tr>
<td>Formal Housing</td>
<td>31.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1341.1</strong></td>
</tr>
</tbody>
</table>

15.26 **Impact of Housing Expenditure on the Cash Reserves:**

15.26.1 That Council make representation to the Premier of the KwaZulu-Natal Province regarding expenditure incurred in previous years by the municipality amounting to R3.98 bn for the construction and provision of housing done on an agency basis on behalf of the KZN Department of Human Settlements (KZN DOHS) in order to secure funding.

15.26.2 In addition, in order to avoid the cash reserves dropping below prudent levels that could negatively impact our good credit rating, the municipality only implement KZN DOHS approved housing projects and implementation (incl. invoicing and submission of claims to KZN DOHS) of these approved projects to be in line with the approved KZN DOHS budget and cash flows.

15.27 **Free Basic Services:**

That the Basic Services Package as set out on page 94 is approved for the budget year 2018/2019.
15.28 Off Balance Sheet Financing:
That approval in principle be granted for alternate financing options/models to be considered, incorporating but not limited to Sect 33 (Contracts having future budgetary implications) of the MFMA type arrangements, to finance major infrastructure works requiring significant capital sums over several years where risks and rewards are equitably shared between the municipality and its chosen partner/s. Each specific project will be submitted to Council for consideration.

15.29 Catalytic Projects:
15.29.1 In keeping with National Treasury’s directive to stimulate the economy, grow the rates base and create jobs, the City is considering the implementation of several catalytic projects, subject to these projects having a favourable return on investment (ROI).

15.29.2 That Council supports these projects in principle and that whilst initial funding has been provided for feasibility studies, further funding be sourced during the year as and when the projects are ready for implementation.

15.30 Food Aid Program (Soup Kitchens):
That the engagement of faith based organisations and NGO’s to assist the municipality in its food aid program by adopting soup kitchens be investigated and where considered necessary a grant in aid be provided. It being noted that a provision of R82 million has be budgeted for to increase the number of soup kitchens from 54 to 73.

15.31 Hostel Collections:
That the Council supports the installation of prepaid electricity and water meters for individual hostel units using the 50/50% principle inclusive of the payment of rentals, in view of the low hostel debtors collection rate of 5%.

15.32 Meter Reading Strategy:
15.32.1 That the Electricity and Water Units finalise their strategy on the replacement of electricity and water meters. It being noted that the Electricity Unit is currently in the process of finalising an implementation plan for all electricity meters to be smart by 2026 and therefore any new connections will be on a prepaid basis. A similar implementation plan needs to be developed by the Water Unit.

15.32.2 That the feasibility of combining the electricity and water meter reading services be investigated.

15.33 Destination Marketing Programs:
15.33.1 That Council approves the hosting of the destination marketing programs as budgeted for and indicated on Annexure B.
15.33.2 That authority be granted to the City Manager to negotiate benefits and rights to leverage the destination and profile Durban with the organizers.

15.33.3 That authority be granted to the City Manager to conclude contracts with the owners in terms of the partnership investment.

**ANNEXURE A - 2018/19**

ADDITIONAL RATES LEVIED ON SPECIAL RATING AREAS (15.7.14) REFERS

<table>
<thead>
<tr>
<th>Special Rating Areas</th>
<th>Residential</th>
<th>Business and Commercial</th>
<th>Industrial</th>
<th>Vacant Land</th>
<th>Agriculture</th>
<th>Unauthorised/abandoned</th>
<th>Public Service Infrastructure</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Precincts bordered by Mony Naicker, Dorothy Nyembe, Anton Lembede and Dr Yusuf Dadoo Streets. (CBD Precinct)</td>
<td>0,00166</td>
<td>0,003765</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>b) Precinct bordered by Soldiers Way, Dr AB Xuma Road, Florence Nzama Street and Bram Fischer Road. (North East Business Precinct)</td>
<td>0</td>
<td>0</td>
<td>0,000646</td>
<td>0,00989</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>c) Precinct bordered by Dorothy Nyembe Street, Margaret Mncadi Avenue, Beach Walk and Anton Lembede Street. (North East Business Precinct)</td>
<td>0</td>
<td>0,0005</td>
<td>0,000646</td>
<td>0,00989</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>d) Precinct bordered by Soldiers Way, Bram Fischer Road, Sylvester Ntuli, KE Masinga and Archie Gumede (Place) Roads. (North East Business Precinct)</td>
<td>0</td>
<td>0,0005</td>
<td>0,000646</td>
<td>0,00989</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>e) Precinct bordered by OR Tambo Parade, Dr Pixley KaSeme Street Mall, Rutherford and Gillespie Streets (South Beach Precinct).</td>
<td>0,001888</td>
<td>0,004282</td>
<td>0</td>
<td>0</td>
<td>0,008467</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>f) Umhlanga Promenade Precinct bordered by Ocean Way (South), Lot 430 (North), Lagoon Drive (West) and the Indian Ocean (East).</td>
<td>0,001089</td>
<td>0,00247</td>
<td>0</td>
<td>0</td>
<td>0,004883</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>g) Precinct bordered by Burlington Road, Burlington Drive, Nagel Road, Windsor Road, Midmar Road and Henley Road.</td>
<td>0,003177</td>
<td>0,007204</td>
<td>0</td>
<td>0,014246</td>
<td>0</td>
<td>0,022241</td>
<td>0,000790</td>
</tr>
<tr>
<td>h) Umhlanga Village Precinct bordered by Flamingo Lane, Ocean Way, Lagoon Drive, McCauland Crescent, Weaver Crescent and the Ruth First Highway.</td>
<td>0,000483</td>
<td>0</td>
<td>0</td>
<td>0,002164</td>
<td>0,000121</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>i) Giba Gorge bordered by N3 Highway (South), Reservoir Road, Jan Smuts Avenue, Galloway Lane, Moumbatten Place, Alexander Drive, King Cetshwayo Highway (East), Portion 157 of Clifton (North) to Saint Helier Road (West)</td>
<td>0,003647</td>
<td>0,00827</td>
<td>0</td>
<td>0,016353</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
ANNEXURE B

DESTINATION PROMOTION PARTNERSHIPS PROGRAMS

1. Fact Durban Rocks: July and December
   The program takes place during Fun or mid tourism season as well as during the December festive season. It is a major attraction for tourist to visit the City.

2. Durban Beach Extravaganza July
   Promotes and provides nautical and aqua sport entertainment experience during holiday season along the Beachfront. It also has a knowledge empowerment element for the students interested in aqua sport that feature as sport tourism experience.

3. Joyous Celebration July/ August
   Biggest Gospel show attracting high LSM from various parts of South Africa. It has a countrywide roadshow and the brand has huge following locally and beyond Durban.

4. South African Music Conference (SAMC) July
   Utilization of local talent to promote music that highlights Durban lifestyle. The conference discusses the commercialization of local music. Exhibition of Durban emerging talent utilizing township lounges.

5. Township Tourism Experience and Promotion in across all the townships in the eThekwin Municipality Various Periods of the Year
   This is a robust destination promotion of the townships in Durban during in various seasons of the year to promote township tourism. This is through leisure, culture heritage, Township Lifestyle experience with a huge economic impact to the business in townships and also destination exposure through the hosting of stakeholders in the familiarization trips in various township tourism products.

6. Jazz in July July
   This is an entertainment and leisure experience that happens with the Durban July festivities but a day after (Sunday) the main Durban July main race. It attracts another targeted visitor’s audience that love the jazz genre and it extends the length of stay for the visitors in Durban during the Durban July festivities.

7. Sports Tourism Various period of the year
   Durban also position itself a premium leisure and sporting destination hence the partnership with various sporting codes organizations is paramount to help promote the sporting tourism. The sports tourism promotion is through the hosting of various local national and international tournaments in Durban’s world class sporting facilities like Moses Mabhida Stadium. These sporting codes will range from aqua sport, soccer, rugby cup tournaments and many more. Sports tourism attracts a large number of national and international visitors comprising of the athletes, accompanying friends and relatives of the athletes and spectators. Sports tourism also affords the destination a huge media exposure for destination promotion and brand exposure.
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<th></th>
<th>DESTINATION PROMOTION PARTNERSHIPS PROGRAMS</th>
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<tr>
<td>8.</td>
<td>The Vodacom Durban July</td>
<td>July</td>
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|   | Vodacom Durban July in an annual race horing event that takes place on first weekend of July at the Greyville Racecourse. It offers a variety of activities taking place such as fashion, music and entertainment and also a showcase of Durban lifestyle. This is Africa’s greatest horse racing event that is witnessed by just over 56 000 people and it one of the City’s mega events. It draws a number of visitors to the city, which in turn generates substantial revenue for the City in turn boosting the economy. The financial and service support given to this event is substantially outweighed by the amount of socio economic impact received from visitors, their spending and destination exposure value received by the City. The event also generates extensive media coverage pre, during and post event. The coverage received from this event includes the repetitive use of the Durban in the event name which in turn generate extensive total coverage that converts to stimulating potential visitor interest to visit the destination. The occurrence of this event has become a spring board for establishment of new SMME’s and significant growth of existing businesses as it attracts a lot of visitors into the City. The business development ranges from business within the urban and Township areas whereby the livelihoods of the various communities are economically transformed. These visitors arrive with a plan of getting maximum leisure, sporting and lifestyle tourism and they extensively spend till the Monday after the Vodacom Durban July weekend. The City’s participation is in 3 components:
   a) The destination promotion leveraging through destination promotion partnership.
   b) The Durban Tourism brand and destination activation at the Vodacom July. This is through the hosting of national and international key strategic stakeholders which includes Tourism trade (from tour operators to tourism buyers), media, Captains of industry and influencers in the tourism destination promotion space.
   c) The Durban July Local fashion talent development through the partnership with Gold Circle a components of the Durban Fashion Development Programme |
<p>|9. | Imbokodo Jazz Festival | August |
|   | In line with the women economic empowerment in the women’s month, this is a programmer that completely has women feature in it This is from the planning, management, artist performance as well as the provision and oversight of the event technical logistics. The unique offering attracts domestic visitors into the City to experience leisure tourism. |
|10. | The Royal Soapie Awards | August |
|   | This is an annual soapie awards ceremony that attracts a large number of actors and captains of industry in the television, film, film production and acting industry. As there awards features celebrities, it attracts those followers as Durban visitors across the country and beyond South Africa. It also attracts media who give media converge to Durban. This programmes also embarks in educating young people that aspire to be in that industry with knowledge empowerment. And afford them work shadowing opportunities as they coordinate and stage the program. |
|11. | The Loeries Creative Week | August |
|   | This programme is about the recognition of the top achievers in the creative economy. It attracts national and international media and the captains of industry who play in the space of the creative economy. It is also a work shadowing and mentorship platform for to young people including students that aspire to be in the creative industry. |
| 12. | Township to Township Marathon | September | An annual qualifier marathon that alternates each year between KwaMashu to Umlazi. As the marathon happens, the local communities gate business opportunities brought in by this marathon from the spectators. There is also a township promotion brought benefited through the marathon route in exposing what the township has to offer hence stimulate culture and heritage tourism. |
| 13. | Shisanyama Festival | September | This program takes place during the heritage month and it brings together diversity, fashion, art &amp; craft and food particularly the shisanyama experience at is predominantly in the townships. It is also a platform to recognize and acknowledge the various township based shisanyama restaurants that are predominantly owned by African emerging businesses. This also gives them exposure at this festival and the diverse ethnic groups get a taste their cuisine. |
| 14. | East Coast Durban Day | October | This is a program that celebrates Durban and its local talent led the leading provincial radio station ECR. It promotes social cohesion and civic pride of Durbanites. |
| 15. | House and Garden Show | October | Promoting and taking Township Kasi Lifestyle Pavillion for music, food, furniture SMME’s during this packed show across all demographics. |
| 16. | Crown Gospel Awards | November | An annual gospel awards ceremony that attracts a large number of gospels followers across the country and beyond South Africa to converge to Durban. |
| 17. | Good Sundae | December | Good Sundae is a lifestyle program where city trendsetters gather in one venue to enjoy the countries best hip hop acts. Good Sundae has made daytime/night time partying on a Sunday a culture for the past 4 years. Good Sundae boasts and attendance of between 3000 and 5000 with the December programs being the most highly attended. The program primarily attracts the 18 – 35 age group. The program is always themed which attracts more numbers. |
| 18. | Durban Underground | December | An annual Christmas Day program that celebrates Durban artists and offers Tourist an entertainment and fun experience during Christmas day. |
| 19. | Durban Braai Day | December | This is a first time program that envisages to attract 8000 - 12000 attendees to take place at the MMS Peoples park. It will be giving the visitors and locals an additional desired lifestyle tourism experience with the vibrant entertainment and great ambience in the festive. The braai day is characterized as a family fun day which allows the visitors to travel as a collective family at all times during the festive season. This program is also platform to drive the campaign of youth against crime during the festive season. |
| 20. | Durban Beach Festival | December | It is an extravaganza that offers a multiple entertainment package at the beach front for the whole family. It also affords a platform for local artists’ development through performance after a series of road show recruitments. |
| 21. | Durban Jazz Festival | December | Biggest program in South Africa during the festive season taking place on 26 December. Strategic hosting of stakeholders. |
| 22. | Ingoma Cultural Zonal Festival | December and January | Promotes cultural social cohesion, traditional dance competition and ethnic pride. This is also an appealing attraction to the tourism and it showcases the culture and heritage of the people of Durban and KwaZulu-Natal which is of great interest to tourists. |
| 23. | Woz’ eDurban Picnic Program Partnership and Destination promotion and leveraging | January | Attracts high LSM from Gauteng and other provinces to come to Durban during the Festive Season. It renders opportunity to local entertainment artists targeting hotel visitors to experience various option. |
| 24. | Durban All Stars (Gospel) | December | This is a gospel concert that is staged in commemoration of ending the year. It has a great following of lovers of the gospel genre who are then attracted a visitors. It is also a performing platform for emerging gospel artists who are afforded exposure. |</p>
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<thead>
<tr>
<th>DESTINATION PROMOTION PARTNERSHIPS PROGRAMS</th>
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<tr>
<td>25. Metro FM Music Awards (MMAs) and MMAs Public Viewing Area (PVA)</td>
<td>February</td>
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<td>26. Fill Up Moses Mabhida Stadium</td>
<td>December</td>
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<td>27. Lions of Zulu UK tour</td>
<td>February</td>
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<td>28. Youth in Tourism Development and Youth Tourism Experience Promotion.</td>
<td>Various periods of the Year</td>
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<td>29. Durban Picnic Day</td>
<td>Annually Easter weekend</td>
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<td>30. Tour Durban Cycle</td>
<td>April</td>
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<td>31. Comrades Marathon</td>
<td>June</td>
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TOTAL BUDGET OF R39 754 870 PER ANNUM OVER THE MTREF PERIOD.

Following the State of the City Address by Her Worship the Mayor, discussion ensued on the above recommendations of the Executive Committee relative Budget 2018/2019 – 2020/2021 (MTREF).

During discussion the budget was censured by some Political Parties, specifically on issues related to provision of housing, under-equipped Metro Police, increased water loss, challenges with the Revenue Management System, unwarranted tariff increases, irregular refuse removal, increase in governmental and parastatal debt, corruption, high contract values, loss in tourism revenue and bad debt collection. The compilation of a multi-million rand budget was appreciated, however concern was expressed at the above-inflation rate increase in tariffs, unfunded mandates and 30% water loss. It was felt that the inadvertent negligence of civilian oversight and stark reality of maladministration had contributed to the ongoing service delivery protests by disgruntled communities. Given the high tariff increases, many elderly citizens of the City found themselves cash strapped. The issue of catalytic
projects being held to ransom by Business Forums was another point of contention. Although RET was welcomed the current situation relative to provision of orange refuse bags and toilets were in need of being urgently addressed. Point to be taken was that the budget did not belong to a single Political party but to all the people of eThekwini.

The ANC commended the budget that was credible and pro poor and catered for programmes enshrined in the Freedom Charter. The continuation of soup kitchens and dialogue for albinos and child abuse together with the commitment to repair creches damaged by the storm and provide assisted funding was highly welcomed. Health initiatives by the refurbishment of existing clinics and construction of new clinics and strengthening the fight to combat TB and ensuring cancer awareness was noted. Of significance was that a greater portion of the budget had been allocated to address Governance issues, taking cognizance that it was the responsibility of the Municipality to bring services closer to the people.

Addressing skills shortage through the eThekwini Municipal Academy by the provision of training, leadership, bursaries and financial relief was applauded. It was pointed out that the decrease in tourism was a National issue and not restricted to any particular City. A database for the implementation of RET would ensure that it was ward based and simultaneously discourage favouritism. More importantly was that proactive deployment measures had been implemented in Metro Police to deal with challenges experienced by the citizens of eThekwini, namely; rock throwing, increase in staff at Disaster Management, road safety education, safety of women and children, addressing substance abuse, land invasion, etc.

Following discussion the Speaker indicated that all recommendations in respect of items linked to the budget, such as tariffs, Integrated Development Plan, Spatial Development Framework, Rental Adjustments, etc were being considered in conjunction with the budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC – 112, IFP- 8, IND- 1, AIC – 2, MF- 1, TA – 1 and APC- 1) voted in favour and 57 Councillors (DA – 54, ACDP – 1, DLC – 1 and MOSA – 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

16. 2018/2019 BUDGET BENCH MARK ENGAGEMENT WITH NATIONAL TREASURY: HIGH LEVEL OBSERVATIONS AND RECOMMENDATIONS (7/13/1)

With the Democratic Alliance abstaining

COMMITTEE RECOMMENDS:

That the high level observations and recommendations in respect of the eThekwini Municipality 2018/2019 Budget, taken during the Bench Marking Engagement by National Treasury and as detailed in their letter dated 2018-05-24, annexed to the report of the City Manager 2018-05-25, be noted, it being recorded
that a full report thereon, once received from National Treasury will be tabled at a future meeting of the Council.

It was noted that this item had been considered in conjunction with the Budget.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 183 Councillors present 126 Councillors (ANC - 112, IFP - 8, IND - 1, AIC - 2, MF - 1, TA - 1 and APC - 1) voted in favour and 57 Councillors (DA - 54, ACDP - 1, DLC - 1 and MOSA - 1) voted against. There were no abstentions recorded.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

17. UTILISATION OF SECTION 116(3) OF THE MUNICIPAL FINANCE MANAGEMENT ACT FOR REFUSE REMOVAL SERVICES UNDER CONTRACT SQ.66/0061 (7/6/1/2)

The Democratic Alliance dissented on the basis of concerns being expressed at the current violent situation that prevailed at the Department of Cleansing & Solid Waste and the further request to utilise Section 116(3) for Refuse Removal Services.

With the IFP abstaining,

COMMITTEE RECOMMENDS:

17.1 That authority be granted to the Acting Head: Cleansing & Solid Waste to increase the budget/authority for the interim provision of refuse collection, street cleaning and illegal dumping to R130 000 000 (One Hundred and Thirsty Million Rand), excluding VAT.

17.2 That for the reasons stated in the report of the Acting Head: Cleansing & Solid Waste dated 17 May 2018, the utilization of Section 116(3) of the Municipal Finance Management Act for the approval of additional authority to increase the budget for the interim provision of refuse collection, street cleaning and illegal dumping, be approved.

17.3 That the City Manager be authorized to identify savings for the remaining estimated expenditure, subject to .1 above, to a maximum of R95 600 000,00 (Ninety Five Million, Six Hundred Thousand Rand) (excluding VAT) to supplement R34 400 000,00 (Thirty Four Million, Four Hundred Thousand Rand) of savings already identified by the Unit.

17.4 That subject to .1 above, public notices in terms of Section 116(3) requesting comments and/or objections to the proposed amendments be advertised in the relevant print media.
Financial Implications:

- The approved R45 Million excluding VAT budget was based on the contract period of three (3) months whilst the Bid Adjudication Committee award decision for six months. An adjustment of contract amount in order to align with the 6 months period, ending in June 2018, is therefore required. The Unit is seeking authority to amend the contract values to R130 Million Rand from R45 Million Rand in order to align with the six (6) months period.

- The service providers have been requested to submit evidence of work done in order to quantify the amount required for illegal dumping, since it is not capped.

- The fund required are not provided for in the current budget of the Unit and savings amounting to R34.4 Million Rand have been identified. There are no savings from which the balance of R95.6 Million Rand can be obtained.

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 167 Councillors present 112 Councillors (ANC - 101, IFP - 6, IND - 1, AIC – 2, DLC – 1 and MOSA - 1) voted in favour and 54 DA Councillors voted against. 1 ACDP Councillor abstained from voting.

The above recommendations of the Executive were, by the majority vote, ADOPTED.

18. REQUEST FOR A MONTH’S EXTENSION ON TWO AUDIT COMMITTEE MEMBERS’ TERM OF OFFICE (21/10/1/R)

(Page 589)

COMMITTEE RECOMMENDS:

That in order to enable the two current Audit Committee Members to finalise their obligations in preparation for handover to the new Members, the extension of term of office of Ms Londiwe Mthembu and Mr Themba Radebe from 2018-05-31 until 2018-06-30, be approved.

ADOPTED.


(Page L13)

The importance of the City Planning Commission to shape the development path of the City, most importantly, its contribution to the City Development Strategy and the Integrated Development Programme processes, was acknowledged. It was noted that the term of office for the Commissioners would expire at the end of June 2018 and Council would be required to appoint suitable persons to the Commission, provide guidance on the role of the Commission and suggest an effective and appropriate engagement plan.
A request was made for the work undertaken by Councillors to be filtered into the Integrated Development Plan and for the issue of women and youth to be considered when appointing members to the Commission.

Accordingly,

COMMITTEE RECOMMENDS:

19.1 That the process to appoint and nominate new Commissioners to the City Planning Commission, be approved.

19.2 That subject to 19.1 above, the call for the nomination of Members to the Commission, be approved.

ADOPTED.
REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Municipal Public Accounts Committee
Work Programme

2018/2019
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1. OUR MANDATE 

2. IDP, BUDGET AND MUNICIPAL PERFORMANCE 

3. ANNUAL FINANCIAL STATEMENTS 

4. ANNUAL REPORT PROCESS 

5. IN-YEAR REPORTING 

6. AUDIT COMMITTEE 

7. 2018/2019 MPAC WORK PROGRAMME 

This Work Programme outlines the activities that will be undertaken by eThekwini Municipality’s Public Accounts Committee in the 2018/2019 financial year.
Our Mandate

The key functions of the Municipal Public Accounts Committee are:

To review the municipal annual report with specific focus on the report of the auditor general;

To hold the municipal Executive and Administration accountable for their implementation of municipal policies and budget;

To develop recommendations to improve municipal finance administration.

National Treasury and the Department of Cooperative Governance and Traditional Affairs in their Guideline advise that the functions of MPAC are:

1. To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on the annual report;

In order to assist with the conclusion of matters that may not be finalised, information relating to past recommendations made on the Annual Report must also be reviewed. This relates to current in-year reports, including the quarterly, mid-year and annual reports;

To examine the financial statements and audit reports of the municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee’s and the Auditor General’s recommendations have been implemented;

To promote good governance, transparency and accountability in the use of municipal resources;

To recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee; and

To perform any other functions assigned to it through a resolution of council within its area of responsibility.

Our Terms of Reference as approved by Council are:

1.1 To examine the following documents:

(a) Audit Reports on Annual Financial Statements of the Municipality and its Entities;

(b) Audit opinion, other reports and recommendations from the Audit Committee;

(c) Any reports issued by the Auditor General on the affairs of the Municipality and its Entities;
(d) Any report on the outcome of any investigation relating to the financial affairs of the Council;

(e) The annual reports and information on performance of the Municipality and of any Municipal Entity under the Municipality’s shared or sole control;

(f) The Mayor’s quarterly reports on the implementation of the budget and the financial state of affairs of the Municipality; and

(g) Any other financial statements or reports referred to us by the Council;

(h) Any information relating to personnel; books of account, records, assets and liabilities of the Council and to any other source of relevant information that may be required for the purpose of fulfilling its mandate;

(i) Information in respect of any disciplinary action taken in terms of the Municipal Finance Management Act.

(j) Report on and/or make recommendations in relation to any of the reports or financial statements which it may examine to Council.

1.2 To report on and/or make recommendations in relation to any of the reports or financial statements which it may examine to Council.

1.3 In our examination (mentioned in 1.2 above) we must take into account previous statements and reports and consider the degree to which previously identified shortcomings have been rectified and report our findings to Council.

1.4 To initiate and develop the Annual Oversight Report on the Municipality’s Annual Report.

1.5 To initiate investigations into any matter falling within its terms of reference including projects requested by the Executive Committee and Council. To recommend or undertake any investigation after reviewing any investigation report already undertaken by the Municipality or Audit Committee.

1.6 To consider any Audit Committee recommendations referred to us and render an opinion on such recommendations.

1.7 To hold meetings that are open to the public unless we agree to have a closed session/in-Committee.

1.8 To co-opt advisory members or experts to advise us in our deliberations provided that such persons may not vote on any matter.

1.9 To call upon/summon Councillors; Officials; Department Heads and/or Heads of Municipal Entities to assist us in the execution of our functions.
IDP, Budget and Municipal Performance

A municipal council is required to review its integrated development plan (IDP) annually. We will ensure that the review is undertaken.

As the annual budget of a municipality must be informed by the IDP adopted by the municipal council we will review the draft annual budget to ensure that is aligned to the IDP.

We will monitor the preparation of the annual performance plan.

The implementation of the budget and the performance of the municipality will be monitored by examining the following documents:-

2. Monthly budget statements
3. Quarterly reports
4. Mid-year budget and performance assessment reports of the municipality and entities
5. Annual report

Annual Financial Statements

We will examine the annual financial statements of the Municipality and its Entities and ensure that they have been submitted timeously to the Auditor General.

In addition we will ensure that the necessary disclosures have been made in the financial statements including:-

6. salaries, allowances and benefits of political office bearers, Councillors and boards of directors of municipal entities;
7. any arrears owed by individual Councillors to the municipality or entity for rates and services, which at any time were outstanding for more than 90 days;
8. salaries allowances and benefits of the municipal manager, CEOs of municipal entities, CFO and every senior manager;
Annual Report Process

As the Auditor General’s report is our key oversight tool, we will:

1. Obtain a briefing on the audit findings, identified problems and recommendations from the Auditor General;
2. Refer matters to the Audit Committee for investigation;
3. Prepare and refer policy matters to relevant Committees for their perspective and input;
4. Refer preliminary questions with time frames to the City Manager;
5. Analyse responses to preliminary questions;
6. Call upon the City Manager and Heads of Units to respond and to act upon audit queries and recommendations;
7. Hold public hearings;
8. Compile the Oversight Report;

In-year monitoring

During the course of the year we will invite the City Manager to report on:

1. Policy and budget implementation;
2. Implementation of audit recommendations and Council resolutions;
3. Unforeseen and unavoidable expenditure
4. Unauthorised, irregular, fruitless and wasteful expenditure;
5. Disciplinary action instituted in terms of the MFMA

Audit Committee

The technical expertise, support and advice provided by the audit committee in its quarterly reports and engagements with us will assist us to fulfil our mandate and to capacitate us.
## MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) WORK PLAN: 2018/2019

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<tbody>
<tr>
<td>1 Municipal Finance Management Act (MFMA)</td>
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<td>1.1 Unforeseen and unavoidable expenditure:-</td>
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<td>● Interrogate reports of any unforeseen and unavoidable expenditure incurred including proof of the necessary appropriation in an adjustment budget</td>
<td>MFMA s29</td>
<td>For review and recommendation to Council</td>
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<td>1.2 Unauthorised, irregular or fruitless and wasteful expenditure:-</td>
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<td>● Interrogate reports of any unauthorised, irregular or fruitless and wasteful expenditure by the Council, the Mayor, Executive Committee or any political office bearer of the municipality</td>
<td>MFMA s32</td>
<td>For review and recommendation to Council</td>
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<td>Mayor and City Manager</td>
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<td>1.3 The quarterly report of the mayor on the implementation of the budget and state of affairs of the municipality/SDBIP:-</td>
<td>MFMA s52(d)</td>
<td>For review and recommendation to Council</td>
<td>X</td>
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<td>Mayor, CFO and City Manager</td>
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<td>- Interrogate the quarterly report of the Mayor on the implementation of the budget and the state of affairs of the municipality and recommendations be made to Council</td>
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<td>- Ensure that necessary amendments to the SDBIP are attended to by the Mayor and submitted to Council with proposals for the budget</td>
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<td>1.4 Monthly budget statements:-</td>
<td>MFMA s71</td>
<td>For review and recommendation to Council</td>
<td>X</td>
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<td>- Interrogate the monthly budget statements and report any matter of concern on the statement to the Council</td>
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<td>1.5 Mid-year budget and performance assessment:-</td>
<td>MFMA s72</td>
<td>For review and recommendation to Council</td>
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<td>- Interrogate the Municipality’s mid-year budget and performance assessment and submit comments on the assessment to the Council</td>
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<td>1.6 Mid-year budget and performance assessment of the municipal entities: -</td>
<td>MFMA s88</td>
<td>For review and recommendation to Council</td>
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<td>Mayor, CFO and City Manager</td>
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<td>● Interrogate the Entities mid-year budget and performance assessment reports and report matters of concern to the Council</td>
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<td>1.7 Disclosures concerning Councillors, directors and officials: -</td>
<td>MFMA s124</td>
<td>For review and recommendation to Council</td>
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<td>City Manager and CFO</td>
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<td>● In interrogating the annual financial statements, ensure that the necessary disclosures were made in the financial statements, including: -</td>
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<td>▪ Salaries, allowances and benefits of political bearers and Councillors of the Municipality</td>
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<td>▪ Arrears owed by individual Councillors by the Municipality for more than 90 days</td>
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<td>▪ Salaries, allowances and benefit of the Municipal Manager, CFO, DCM,s and Senior Managers</td>
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<td>▪ Salaries, allowances and benefits of the board of Directors of Municipal entities</td>
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<td>▪ Salaries, benefits and allowances of the chief Executive Officer and Senior Managers of Municipal entities</td>
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<td>1.8 Submission and auditing of annual financial statements:-</td>
<td>MFMA s126</td>
<td>For review and recommendation to Council</td>
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<td>CFO and City Manager</td>
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<td>● Receive the annual financial statements of the Municipality and all its entities that are submitted to the Auditor General of South Africa (AGSA)</td>
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<td>1.9 Submission of the annual report:-</td>
<td>MFMA s127</td>
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<td>City Manager</td>
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<td>● Receive the annual report no later than the second of February 2018.</td>
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<td>City Manager</td>
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<td>● Monitor that the annual report has been submitted to the AGSA, as well as the provincial government departments required and has been published for comment</td>
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<td>1.10 Oversight report on the annual report:-</td>
<td>MFMA s129 N.T. Circular 32</td>
<td>For review and recommendation to Council</td>
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<td>City Manager</td>
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<td>● Consider the annual report and prepare a draft oversight report to be submitted to the Council for purposes of adopting the oversight report</td>
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<td>1.11 Issues raised by the Auditor General in audit reports:-</td>
<td>MFMA s131</td>
<td>For review and recommendation to Council</td>
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<td>City Manager and CFO</td>
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<td>1.12 Audit Committee:</td>
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<td>Mayor and City Manager</td>
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<td>• Interrogate audit committee reports to be informed of matters requiring the attention of the Council and to be capacitated</td>
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<td>1.13 Disciplinary action instituted in terms of the MFMA:</td>
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<td>For review and recommendation to Council</td>
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<td>• Monitor that all disciplinary processes instituted for the contravention of the MFMA are brought to conclusion and report to Council where matters are not dealt with effectively and timeously</td>
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<td>2.1 SCM Regulations</td>
<td>SCM s6(2)a(i)</td>
<td>For monitoring</td>
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<td>• Monitor the implementation the SCM Policy</td>
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<td>2.2 Performance Monitoring by Units</td>
<td>MFMA s116(2)b</td>
<td>For monitoring</td>
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<td>• Monitor the review of external service providers</td>
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<td>3 Interrogate the following aspects addressed in Municipal Systems Act</td>
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<td>Mayor and City Manager</td>
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<td>3.1 Annual review of the IDP:-</td>
<td>MSA s34</td>
<td>For review and recommendation to Council</td>
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<td>Mayor and City Manager</td>
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<td>3.2 Monitor that the annual budget is informed by the IDP:-</td>
<td>Regulation 6 of LGMPPMR</td>
<td>For review and recommendation to Council</td>
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<td>Mayor, CFO and City Manager</td>
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<td>3.3 Monitor that all declaration of interest forms are completed by Councillors on annual basis:-</td>
<td>MSA s54 read with item 7 of Schedule 1</td>
<td>For monitoring</td>
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<td>Speaker and City Manager</td>
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<td>4 MPAC Annual Plan:-</td>
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<td>Approval by Council</td>
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<td>Chairman of MPAC</td>
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<td>• Prepare an annual work plan for 2019/2020</td>
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<td>5 Capacity Building:-</td>
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<td>As and when required</td>
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<td>MPAC Secretariat and Office of the Speaker</td>
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<td>• Attend training courses as outlined in the MPAC Skills Development Plan</td>
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<td>• Attend the annual conference of the Association of Public Accounts Committees</td>
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<td>• Undertake visits to other Municipalities; Provincial Legislature and National Legislature</td>
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<td>6 Oversight Visits:-</td>
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<td>MPAC Secretariat</td>
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<td>• Undertake oversight visits to ensure accountability and compliance with good governance within the Municipality and its Entities</td>
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<td>7 Performance Monitoring:--</td>
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<td>• Evaluate the Committee's performance</td>
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<td>MPAC Secretariat</td>
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<td>• To conduct public hearings</td>
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<td>• To consider issues raised by the Auditor General</td>
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<td>• To consider matters reported to MEC</td>
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<td>9 Municipal Standard Charter of Accounts (MSCOA)</td>
<td>For monitoring</td>
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<td>CFO</td>
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<td>• Monitor the progress of the implementation of MSCOA</td>
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ADOPTED.
NOTICE OF MOTION
IN TERMS OF SECTION 18 OF THE RULES OF ORDER

1. THE UMHLANGA CBD: PRIME TOURIST, INVESTMENT AND ECONOMIC HUB IN ETHEKWINI: SEVERAL CATASTROPHIC SEWER BURSTS AND BLOCKAGES: PROPOSED BY COUNCILLOR HU DE BOER AND SECONDED BY COUNCILLOR S HOOSEN (20/1/4/1 and 23/1/11/1/1/1).

This Council noting that:

The Umhlanga CBD remains a prime tourist, investment and economic hub in eThekwini. And that a large portion of our rates and tourism spend is generated in the Umhlanga region. That several catastrophic sewer bursts and blockages have led to much publicized spillages across the promenade and onto the beach-causing environmental damage to the region.

Hereby resolves that the Executive Committee investigates and reports back on:

1. A full survey and mapping of all municipal sewers in the Umhlanga CBD, with emphasis on pipe quality and capacity.
2. The urgent prioritization of budget to replace all AC asbestos sewer pipes in the CBD region.
3. An urgent investigation be done into the future capacity of the Umhlanga Beach pump station, and its ability to function optimally due to additional infrastructure developments in the CBD.

Councillor HU De Boer moved his Notice of Motion and thereafter motivated same. As not all Councillors were in support of the Motion the matter was put to the vote. With 168 Councillors present, 62 Councillors (DA – 54, IFP – 7 and ACDP – 1) voted in favour and 106 Councillors (ANC – 103, IND – 1 and AIC - 2) voted against. There were no abstentions recorded.

The above Notice of Motion was, by the majority vote, NOT CARRIED.

2. UNAUTHORISED PARKING AND ILLEGAL LOADING/OFFLOADING OF TRUCKS AND BUSES (HEAVY VEHICLES AT CLAIRWOOD AND OVERPORT AREAS: PROPOSED BY COUNCILLOR S SEWSHANKER AND SECONDED BY COUNCILLOR CJ PAPPAS (26/1/2/7/R).

This Council noting that:

Trucks and buses (heavy vehicles) remain a problem where unauthorized parking and illegal loading/offloading takes places. Areas such as Clairwood and Overport experience traffic problems, infrastructure damage and the degradation of public open space on a daily basis because of the lawless behavior of truck drivers, bus drivers and the business they serve.
Hereby resolves that the Executive Committee investigates:

The contracting of heavy towing vehicles through the correct department in order for Metro Police to be able to better enforce by laws relating to the illegal usage of usage of trucks and buses in the city.

Councillor S Sewshanker moved her Notice of Motion and thereafter motivated same. As not all Councillors were in support of the Motion the matter was put to the vote. With 168 Councillors present, 53 DA Councillors voted in favour and 113 Councillors (ANC – 103, IFP – 7, IND – 1 and AIC – 2) voted against. 2 Councillors abstained from voting.

The above Notice of Motion was, by the majority vote, **NOT CARRIED.**


This Council noting that:

The residents of Khabazela in Ward 110 have engaged in illegal land occupation as a result of the City’s ongoing failure to address their concerns regarding the lack of housing and delivery of title deeds for those with houses.

This Council resolves to request:

1. the Executive Committee to investigate and report to Council why the City has refused to meet with the residents despite numerous requests.

2. the Executive Committee to order the respective department to engage with the Community within 10 working days and provide relief to the Community with regard their concerns.

Councillor PJC Graham moved his Notice of Motion and thereafter motivated same. As not all Councillors were in support of the Motion the matter was put to the vote. With 170 Councillors present, 60 Councillors (DA – 53 and IFP – 7) voted in favour and 108 Councillors (ANC – 104, IND – 1, AIC – 2 and MOSA - 1) voted against. 2 Councillors abstained from voting.

The above Notice of Motion was, by the majority vote, **NOT CARRIED.**

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REPORT OF COMMITTEE DECISIONS

1. EXECUTIVE COMMITTEE
Meetings held on : 2018-04-17
                 : 2018-04-26
                 : 2018-05-15

2. GOVERNANCE AND HUMAN RESOURCES COMMITTEE
Meeting held on : 2018-05-09

3. HUMAN RESOURCES DEVELOPMENT SUB-COMMITTEE: TREASURY AND OFFICE OF THE CITY MANAGER
Meeting held on : 2018-05-02

4. HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE
Meeting held on : 2018-04-23

5. LOCAL LABOUR FORUM: HEALTH UNIT
Meeting held on : 2018-03-05

6. LOCAL LABOUR FORUM: METRO POLICE UNIT
Meeting held on : 2018-03-07

7. LOCAL LABOUR FORUM: HUMAN SETTLEMENTS AND INFRASTRUCTURE CLUSTER
Meeting held on : 2018-04-19

8. LOCAL LABOUR FORUM: TREASURY AND OFFICE OF THE CITY MANAGER
Meeting held on : 2018-04-13

9. SECURITY AND EMERGENCY SERVICES COMMITTEE
Meeting held on : 2018-04-18
10. **SPEAKER’S COMMITTEE**

Meeting held on : 2018-04-23

**NOTED.**

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**ITEMS FOR NOTING**

The Items for Noting, reflected on Page 34 to 35 of the Agenda were **NOTED.**

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The meeting terminated at 17:00

CONFIRMED AT THE MEETING OF THE ETHEKWINI COUNCIL ON 2018-06-28

SPEAKER