

No. 64

MINUTES

OF

ETHEKWINI MUNICIPAL COUNCIL

Meeting held on Thursday, 2019-12-12T10:00 at the Inkosi Albert Luthuli International Convention Centre, 45 Bram Fischer Road, Durban.

PRESENT : Councillors WG Thusi (Speaker), TM Kaunda (Mayor), BF Scott (Deputy Mayor), J Annipen, A Beetge, S Bhanprakash, MPN Bhengu, MC Bhengu, M Billy, NC Biyela, T Biyela, NJ Bollman, M Brauteseth, S Brijmohan, WJD Burne, SS Butelezi, H Cele, NT Cele, J Chetty, CO Clayton, R Cloete, TP Collins, M David, SV De Boer, GT De Lange, MAK Dladla, CB Dlamini, JA Dlamini, SB Dlamini, MP Dlomo, J Essop, VE Gebashe, HD Goge, R Gokool, G Govender, S Govender, Y Govender, NL Graham, BR Gumede, NC Gumede, NP Gumede, TR Gumede, ZD Gushu, MH Haniff, GJ Hegter, QL Hlengwa, NP Hlomuka, NB Hoosman, NB Iyir, JA Johnson, M Johnson, MH Khan, DM Khanyile, KNN Khubone, JS Khuboni, PZ Khumalo, HL Khubisa, NL Khuzwayo, CJ Laing, CB Langa, M Lutchmen, P Luthuli, TJ Luthuli, TN Mabanga, MT Mabaso, NI Madlala, A Maharajh, B Majola, TG Makhanya, ZP Makhanya, MW Manqele, WL Mapena, TZ Mathe, PM Mbambo, V Mbanjwa, AM Mbele, RD Macpherson, FW Mdletshe, K Mhlaba, DM Mhlanzi, GN Mhlongo, SE Mhlongo, MB Mjadu, AZ Mkhize, BA Mkhize, HGB Mkhize, KV Mkhize, ME Mkhize, MM Mkhize, MP Mkhize, S Mkhize, SM Mkhize, X, Mkhize, SM Mkhwanazi, PS Mncube, SB Mngadi, SV Mngadi, NE Mnguni, S Mnguni, BV Mngwengwe, LN Mngwengwe, SR Moodley, S Moonsamy, B Mpanza, B Msomi, NP Msomi, LG Mthembu, M Mthembu, MM Mthembu, ON Mthembu, TM Mthethwa, TT Mthiyane, N Munien, AB Mvubu, RM Mzobe, BD Naidoo, J Naidoo, M Nair, X Nala, PL Ncayiyana, PB Ndlovu, MK Ndzimbomvu, ZS Ndzoyiya, AS Ngcobo, S Ngema, TT Ngubane, BE Nhlangulela, SJM Nhlapho, MS Nkosi, DR Nowbuth, GM Noyce, PC Ntshangase, SC Ntshangase, BT Ntuli, PB Ntuli, PH Nxumalo, NN Nyanisa, TT Nzuzza, JP Phewa, TK Phohlo, BP Phungula, D Pillay, DR Pillay, P Pillay, JP Prinsloo, GDA Pullan, MD Qwabe, A Ramkissoon, A Rampersad, S Ryley, T Sabelo, S Sewshankar, B Shabane, MG Shange, SG Shange-Dlamini, MT Shelembe, ES Shezi, MC Shezi, VH Shezi, DM Shoji, HP Shoji, KS Sibisi, M Sibisi, N Sibiya, PN Sikhosana, EL Singh, Samier Singh, PS Sishange, NI Sithole, AD Snyman, ZR Sokhabase, M Tembe, JB Thabethe, S Thango, JC Van den Berg, PA Vedan, SM Windvogel, MC Xulu, TV Xulu, T Xuma, NY Young, BM Zulu, GB Zulu, TM Zuma, TG Zungu, MH Zwane and there being 1 (one) vacancy.

ABSENT : Councillors S Aslam (On leave), SR Dlamini (On leave – Indisposed), BA Fortein (On leave - Municipal Business), PJC Graham (On leave), ZRT Gumede (On leave), MS Gwala (On leave), PL Hlengwa, RC Hlophe (On leave – Indisposed), SA Kaunda (On leave – Municipal Business), ES Khanyile (On leave), S Khuzwayo (On leave – Indisposed), ZW Khuzwayo, SNC Khwela (On leave), P Mfeka, E Mngadi, SB Mpanza, MGF Mthembu, NE Mthembu (On leave), BP Ndlela, AB Ndlovu, MM Ngiba

(On leave - Indisposed), M Nojiyeza, W Nyaba (On leave – Indisposed), MS Nyawose (On leave – Indisposed), F Peer, BW Phewa, KR Pillay (On leave – Indisposed), BR Qhantsi (On leave), AN Shabalala (On leave), Sagar Singh (On leave), EG Smith and C Xesibe (On leave)

AMAKHOSI

PRESENT : Inkosi VR Cele, Inkosi PP Luthuli, Inkosi NC Maphumulo, Inkosi DZ Mkhize and Inkosi EB Shozi.

AMAKHOSI

ABSENT : Inkosi BF Bhengu, Inkosi TF Gwala (On leave), Inkosi NM Hlengwa (On leave), Inkosi KS Makhanya, Inkosi LD Mkhize (On leave), Inkosi KT Mkhize, Inkosi TBE Mkhize, Inkosi S Mlaba (On leave), Inkosi RF Mthembu (On leave), Inkosi MB Ngcobo and Inkosi J P Shangase.

OFFICIALS

PRESENT : Messrs/Mesdames S Nzuzi (City Manager), M Mhlongo (Head : Legal Services and Compliance), BM Mhlongo (Deputy Head: Office of the Speaker), KR Ramsunder (Chief Committee Officer) and P Nkake (Principal Committee Officer).

(At the commencement of the meeting 170 Councillors were present, comprising ANC – 94, DA - 53, IFP - 8, EFF - 4, INDEPENDENT - 3, AIC - 2, ACDP – 1, MF - 1, DLC - 1, TA- 0, MOSA – 1, APC - 1 and AL JAMA-AH - 1).

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 His 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.

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

The Speaker commenced her announcements by extending heartfelt condolences to all bereaved families who had lost family members during this period. She also extended condolences to ANC veteran Ben Turok who died at the age of 92. He was a former anti apartheid activist, Economics Professor and a former Member of Parliament.

She congratulated the eThekweni Municipality on winning the following awards:

- National German Sustainability Award in the Municipal Partnerships North-South Category (the award represents culmination of a 10 year partnership between two Sister-Cities which is eThekweni and Bremen City in Germany).
- Best Innovation Award from the Department of Public Service Administration (DPSA) for the Municipality's Whats App initiative by the Water and Sanitation Unit.

Congratulations were also extended to Para Athlete, Mr Mpumelelo Mhlongo who broke his own world record by winning three gold medals in the 100 metre race at the 2019 World Championships in Dubai and Ms Zozibini Tunzi for winning the Miss Universe 2019 competition.

The Speaker invited all Councillors to attend the Gender and Justice Summit on Friday, 13 December at the City Hall, from 08:30 to 16:30 where His Worship the Mayor would be hosting Chief Justice Mogoeng Mogoeng, Bishop DB Jones and Public Protector Busisiwe Mkhwebane.

The Council noted that recess would be from 2019-12-17 to 2020-01-14 and during this period matters requiring urgent Council approval would be considered via the Rule of Order 28 By-law.

The Speaker extended birthday greetings to all Councillors who celebrated their birthdays during the months of November and December.

The Speaker requested Councillors to switch off their microphones after speaking to avoid interference with the sound system and to assist the interpreters by talking slowly and clearly.

Councillors were referred to Rule of Order By-law (16) and as per these Rules, Councillors were requested to conduct themselves in a respectful manner, to refrain from interrupting the proceedings and were encouraged to conduct business with the highest decorum and integrity that the occasion and the residents of the Municipality deserved.

6. SPEAKER'S REPORT

In her report the Speaker provided an update in respect of various Municipal activities undertaken during the months of November and December. She advised that on-going community engagements had been held in the form of Operation Sukuma Sakhe engagements, etc.

She mentioned that a total of 47 engagements had been held with Communities and it was saddening to note that there were still Wards that had not had any community engagements in this quarter (i.e October to December 2019). A total of 46 Wards had not reported any community engagements.

The Speaker reported that as part of promoting community engagement, His Worship the Mayor would hold an Operation Sukuma Sakhe Programme on Friday, 2019-12-13, which would entail visiting War Rooms, viewing ward based projects and holding community engagements to get comments from various communities. The Wards that would be visited would be Wards 33, 66, 68, 69, 74 and 75.

The Speaker provided details relating to the functionality of Ward Committees. She indicated that a total of 92 Ward Committee meetings had been convened and that 18 Ward Committees did not convene meetings. A total of 65 Ward Committees had submitted evidence whilst 27 had not submitted any evidence at this stage.

It was noted that a Ward Councillors' Workshop, which had been arranged for Friday, 2019-11-29 and had to be postponed due to an urgent programme of the Mayor that arose, would now be held on 2020-02-07. A reminder would be issued closer to the revised date.

The Council was advised of the resignation of erstwhile Councillor Zuma of the ANC. Councillor Zuma was the Ward Councillor for Ward 32. A By-Election would be held once the Independent Electoral Commission confirmed a date. It was also noted that Councillor SNL Mshengu from the DA had resigned and had been replaced by new Councillor Mzamo Billy. A warm welcome was extended to Councillor Billy.

7. APPLICATIONS FOR LEAVE OF ABSENCE

The City Manager presented the names of Councillors who had applied for Leave of Absence from this Council meeting. Some Councillors recorded their objections to some of the names presented, especially that of the former Mayor, Councillor ZRT Gumede and a few Councillors who had been in police custody for allegedly committing fraudulent activities and who were now released on bail. They requested that the names of such Councillors be removed from the list.

Following discussion a legal opinion was provided by the Head: Legal Services and Compliance where he referred the Council to Clause 9 (4) (d) of the Rules of Order Bylaw relating to Leave of Absence. He indicated that such clause made provision for the Councillors affected to apply for leave of absence. As not all Councillors were in agreement the matter was put to the vote.

With 171 Councillors present, 100 Councillors (ANC – 96, IND – 3 and AL JAMA-AH – 1) voted in favour and 65 Councillors (DA – 54, IFP – 7, ACDP – 1, MF – 1, DLC – 1 and APC – 1) voted against. 6 Councillors (EFF – 4 and AIC – 2) abstained from voting.

It was thereafter, by the majority vote,

RESOLVED:

That the following Councillors and Amakhosi be granted leave of absence as indicated hereunder:-

COUNCILLORS

Councillor S Bhanprakash	: Request to leave at 14:00
Councillor T Biyela	: Request to leave at 13:00
Councillor SR Dlamini	: 2019-12-12 (Indisposed)
Councillor BA Fortein	: 2019-12-11 to 13 (Municipal Business)
Councillor P Graham	: 2019-12-12 to 21 (Personal Commitments)
Councillor MS Gwala	: 2019-12-12 (Personal Commitments)
Councillor ZRT Gumede	: 2019-12-12 to 15 (Personal Commitments)
Councillor RC Hlophe	: 2019-12-12 to 17 (Indisposed)
Councillor NB Iyir	: Request to leave at 12:00
Councillor SA Kaunda	: 2019-12-12 (Municipal Business)
Councillor ES Khanyile	: 2019-12-11 to 13 (Personal Commitments)
Councillor SNC Khwela	: 2019-12-06 to 13 (Personal Commitments)
Councillor S Khuzwayo	: 2019-12-12 to 13 (Indisposed)
Councillor TN Mabanga	: Request to leave at 11:00
Councillor SR Moodley	: Request to leave at 14:00
Councillor NE Mthembu	: 2019-12-12 (Personal Commitments)
Councillor BD Naidoo	: 2019-12-12 (Personal Commitments)
Councillor MM Ngiba	: 2019-12-12 (Indisposed)
Councillor W Nyaba	: 2019-12-12 to 13 (Indisposed)
Councillor S Ntshangase	: 2019-12-12 (Personal Commitments)
Councillor S Nyawose	: 2019-12-12 (Indisposed)
Councillor KR Pillay	: 2019-12-12 (Indisposed)
Councillor JP Prinsloo	: Request to leave at 13:00
Councillor BR Qhantsi	: 2019-12-12 (Personal Commitments)
Councillor BF Scott	: Request to leave at 12:30
Councillor AN Shabalala	: 2019-12-12 (Personal Commitments)
Councillor A Shaheed	: 2019-12-12 (Personal Commitments)
Councillor Sagar Singh	: 2019-12-12 to 13 (Personal Commitments)
Councillor C Xesibe	: 2019-12-12 (Personal Commitments)
Councillor BM Zulu	: Request to leave at 15:30

AMAKHOSI

Inkosi TF Gwala	: 2019-12-12 (Personal Commitments)
Inkosi NM Hlengwa	: 2019-12-12 (Personal Commitments)
Inkosi S Mlaba	: 2019-12-12 (Personal Commitments)
Inkosi LD Mkhize	: 2019-12-12 (Personal Commitments)
Inkosi RF Mthembu	: 2019-12-12 (Personal Commitments)

(NB : It is recorded that although Councillors BD Naidoo and S Ntshangase had applied for Leave of Absence, they were present at the meeting).

8. CONFIRMATION OF MINUTES: Meetings held on 2019-10-31 and In-Committee Meeting held on 2019-10-31

Councillor M Tembe referred the Council to the item entitled “Request for Approval: Implementation of the 7th, 8th and 9th Annual Gospel Icon Discovery Competition: 2019/2020, 2020/2021 and 2021/2022 Financial Years” on pages 2280 and 2281 of the Council Minutes of 2019-10-31. She advised that the Minutes erroneously reflected that the recommendations thereon had been adopted. However, the Council resolved to refer the matter back to the Community Services Committee for further consideration.

Councillor Tembe was supported by Councillor N Sibiya, Chairperson of the Community Services Committee.

It was thereafter

RESOLVED:

That the minutes of the Meeting of the eThekweni Municipal Council held on 2019-10-31 and the minutes of the In-Committee meeting held on 2019-10-31, as circulated and taken as read, be and they are hereby confirmed, subject to the Minutes of 2019-10-31 being amended in item 2.7 thereof, relative to “Request for Approval: Implementation of the 7th, 8th and 9th Annual Gospel Icon Discovery Competition: 2019/2020, 2020/2021 and 2021/2022 Financial Years”, on pages 2280 and 2281, to indicate that the item has been Referred Back to the Community Services Committee for further consideration.

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 Y Govender: Municipality Oversight Committee responsible for litigation (17/2/2/6):

In terms of Section 151 (2) of our Constitution, the executive and legislative powers of a municipality is vested in its Municipal Council. The media often reports that the municipality is being sued however reports do not come to Council.

In light of the above, I request 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 damages from 1st July 2016 to date?**
6. **What is the cumulative total or quantum in damages that the municipality has been ordered to pay, since 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 dispute matters been delegated, and when was that power delegated?**
9. **If this power has 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?**

The Head: Legal Services and Compliance provided the following respective responses:-

1. None, but since litigation originates from the Units that report to Portfolio Committees, oversight can be done at Portfolio Committees' meetings
2. The City Manager
3. (a) 1 303
(b) 21
(c) 29
(d) Already answered in 3 (c).
4. 409, inclusive of settlements and judgments against and in favour of the Municipality.
5. 18
6. R230 145 356,73.
7. None.
8. The City Manager and Head: Legal & Compliance for the Non-Insurance matters and the re-insurers for the Insurance matters. Delegated on 27 June 2013 and 28 February 2019, through Part C: Systems of Delegations Item 16
9. Each settlement authorisation is preceded by a report to the authoriser, which has a dual purpose of seeking authority and reporting about a settlement decision to the authoriser.

9.2

Questions submitted by Councillor M Nair: Air Quality Monitoring (32/2/2):

In order to reduce eThekweni's climate risk and vulnerability and improve our City's resilience, it is vital that we regularly monitor the ambient air quality and report statistics to residents within the eThekweni Municipal Area.

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

1. **Of the total number of air quality monitors, how many of these are operational?**
2. **Which air quality monitors are not operational?**
3. **How often is each air quality monitoring device serviced?**
4. **When was the last time they were serviced?**
5. **Is eThekweni's overall ambient air quality levels within the acceptable range as set out in National Environmental Management Air Quality Act?**
6. **Since 2016, how many fines has the City issued to licensees that have exceeded the minimum levels of emissions as set out in the National Environmental Management Air Quality Act?**
7. **Which licenses were the largest contributors of ambient air pollution in eThekweni?**
8. **Does the City have a proactive plan to make sure that eThekweni's air quality is in line with national and international norms and standards?**

The following respective responses were provided:-

1. Thirty of the Forty Four are operational. It is noted that council has made funding available to recapitalise the network and this includes the purchase of new instruments to replace end of life items. The procurement thereof is underway and three tenders have been awarded thus far.
2. It is of interest to note that whilst fourteen instruments are not currently functional, twelve of these are from one service provider, these instruments have proved difficult to maintain and the agent has experienced great difficulty in conducting repairs thereto.
3. Scheduled maintenance is conducted on an annual basis. Non-routine servicing and repairs is done as and when required.
4. Scheduled maintenance was during the last quarter of 2018. Non-routine was done as required during 2019. Certain instruments are currently with the agent for repair and servicing.

5. Generally yes. However as identified in the Air Quality Management Plan (AQMP) approved by Council during 2018, eThekweni has certain hotspot areas including Coedmore, Umkomaas, the Harbour and the Jacobs Corridor. Ambient air quality is generally good during the summer months however during winter eThekweni does experience a number of exceedances of Particular matter. It is however noted that background levels during the winter period are high and are often caused by regional pollution “imported” into the municipality. It is however important to appreciate that for all priority pollutants the annual average is not exceeded. There is however short excursions above certain national standards term for the shorter duration measurement periods during the winter months. It is recommended that Councillors download and log onto the SAAQIS App (South African Air Quality Information system for priority stations as determined by the National DEFF) so as to compare air quality within the eThekweni region with other regions in the country.
6. Seven facilities have paid administrative penalties totaling R1.4 million rand for non-compliance with the Air Quality Act. In addition compliance monitoring has resulted in the closure of several companies until such time as they were able to comply with requirements.
7. Petroleum Refineries and Storage of Petroleum Products, Sugar Refining & Processing, Paper Mills and the mining/quarrying/cement production sectors. It is however important to note that motor vehicle emissions have overtaken industrial contributions for certain pollutants. Harbour related activities and sugar cane burning is also a significant contributor to overall emissions in the region.
8. Yes, eThekweni has an approved Air Quality Management Plan AQMP together with an implementation plan. The Air Emissions Licensing team forms a significant component of the regulatory and enforcement activities of the Health Unit.

9.3

Questions submitted by Councillor J Annipen: Cases investigated by City Integrity and Investigation unit (CIU) (2/9/1/1):

The function of the City Integrity and Investigations Unit (CIU) are:

To promote respect for human rights and to cultivate a culture of human rights within the eThekweni Municipal area; To investigate any conduct, in the affairs of eThekweni Municipality, that is alleged to be improper or to result in any impropriety or prejudice, including maladministration, corruption, abuse of power, undue delay and unfair discrimination.

The City Integrity and Investigations has power to:

Resolve disputes by mediation and negotiation; or Recommend appropriate corrective action.

Based on the above, I pose the following questions:

1. **How many cases have been investigated by the CIU from August 2016 to August 2019?**

2. **How many of these cases relate to senior city officials and public office bearers?**
3. **Have the reports by the CIU been made available to this Council? If not why not?**
4. **Have the recommendations of the CIU in relation to appropriate action against been actioned? If not, why not?**
5. **Who is responsible for the implementation of recommendations by the CIU?**
6. **What are the time frames given to action these recommendations and when will the outstanding recommendations by the CIU be implemented?**

The following respective responses were provided:-

1. Deferred
2. Deferred
3. Yes
4. Yes
5. City Manager
6. These are on-going matters. Time frames will be derived as matters proceed.

9.4 Questions submitted by Councillor G Hegter: Trucking that causes problems for Residential Communities around the Durban Harbour (28/2/4/4):

Trucking in and around the Durban Harbour has for many years caused problems for residential communities around the harbour and along logistics routes.

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

1. **How many fines have been issued to heavy duty trucks drivers by Metro Police in the South Durban Basin area over the 2015 to 2019 period (Wards 66, 68, 64, 65, 33, 32)?**
2. **How many un-roadworthy trucks have been impounded by Metro Police in the South Durban Basin area over the 2015 to 2019 period?**
 - (a) **If no trucks have been impounded over this period, please state the reasons for Metro Police not being able to impound heavy duty vehicles?**

3. How many truck-related road fatalities have been recorded in the South Durban Basin area between 2015 and 2019 (Wards 66, 68, 64, 65, 33, 32)?

The following respective responses were provided:-

1. A total of 474 554 charges were issued to heavy duty trucks during the 5 year period
2. In the period 2015 to 2019 we have impounded no heavy duty vehicles. Our main Challenge is that we do not have space for the impounding of the trucks, (No Designated Pound). We normally prosecute/suspend and then let them proceed as per suspension Notice. (Drive 30km/hour to their Yard or nearest Test centre). Even if we arrest the driver for warrants the Load and the truck becomes our responsibility and we therefore do our best to get the owner to fetch his truck from the driver if the driver is arrested, Also holding trucks with perishables in refrigerated containers is high risk as the longer the truck stands with us we run the risk of the perishables going off and are then liable for a civil suit.
3. A total number of 43 accidents with fatalities due to accidents involving heavy duty vehicles were recorded during this period. It should be noted that not all statistics are submitted to ETA by SAPS.

9.5

Questions submitted by Councillor Y Govender: Repairs to water pump stations (23/1/11/2/1/1):

In numerous complaints and queries regarding rolling water outages, which remain unresolved with vague responses from officials have become the norm in eThekweni Municipality. Several meetings and communications with officials have yielded a few concerns. Delays in repairs, leave consumers without water for days on end. Delays in repairs to sewer pump stations remain unresolved and sewerage is flowing into roadways and streams for months, causing environmental issues and endangering the general public's health.

It is on this background that I pose the following questions:

1. **What are the precise reasons for the substantial decrease or downward spiral in mechanical and electrical support for water pumps and maintenance support for these wastewater pump stations?**
2. **What is the reason for the delay in pump repairs and maintenance to our potable water pump stations that is contributing to consumers not having water?**
3. **What is the precise reason for the delays in pump maintenance and repairs to sewer pump stations that is resulting in raw sewage running into streets, streams and rivers?**
4. **What is the reason for the delay in excavating and/or backfilling of holes and trenches after bursts are repaired? Who is responsible for this function and is there an SLA in place?**

If yes, a copy is required.

5. **What is the reason for the slow reinstatements after burst has been completed by the plumbers?**
- 6.1 **How many water and sewer pumps were not working in eThekweni for the period 1st January 2019 to 30 September 2019?**

State precise location of pump and duration for which it was not working.
- 6.2 **How many sewer overflows remain unresolved in excess of 48 hours, for the period 1st June 2019 to 30th September 2019.**
7. **When last was a report furnished to EXCO, of the SCM challenges for EWS. A copy of the latest report is required.**
8. **How many TLBs and licensed operators does EWS have?**
9. **Why is the City not acquiring more TLBs to speed up service delivery?**
- 10.1. **Why is the status of the newly acquired sachet manufacturing plant that the department has spent huge money on?**
- 10.2 **How much was spent acquiring this machine and when was it purchased?**
- 10.3 **When did this machine breakdown and when is it going to be repaired?**
- 10.4 **How much will it cost to repair?**
- 10.5 **Why is this machine not working efficiently and who is responsible for this function?**
- 10.6 **Which official is responsible for efficient functioning of this equipment and to whom did he/she report?**

A copy of this report is required.

Councillor T Sabelo provided the following respective responses:-

1. Mechanical and Electrical maintenance on water facilities has historically been outsourced via 3 year contracts. The last contract expired on 2018-08-31 with no replacement contract in place. Delays were due to management mandated changes in the way the contract was structured for multiple awards, the introduction of CPG/RET clauses as well as specific cession clauses to protect emerging contractors. As a result of the Water M&E function being outsourced, there is no staff allocated to Water within M&E (this component of the Branch does not exist on the current organogram). This meant that a meagre artisan staff component from Wastewater had to be seconded to perform Water duties.

The replacement water contract WS7066 was advertised in November 2018 but had to be withdrawn in January 2019 due to CIDB compliance issues. As an interim measure, an emergency Section 36 Report was approved by the City Manager in order to appoint contractors to perform the Water maintenance

function. This process was only concluded in October 2019. Four Contractors are currently working with our internal staff, in order to clear the backlog of repairs and perform maintenance as required.

Plan going forward for Water: The new 3 year maintenance contract, WS7156, has been advertised, adjudicated and will be awarded prior to expiry of the emergency contract mentioned above.

In terms of waste water pump stations, the Mechanical and Electrical maintenance is performed by a mix of internal and outsourced labour throughout the Municipality. The Western Area and Southern Areas were historically supplied with outsourced labour under contracts which were similar to those used for Water. The previous contract for the Western Area expired in January 2018 thereafter the Contract for the Southern Area was used to augment mechanical and electrical work with both areas, while yet more M&E artisans were seconded to the western Area to assist.

The Northern, Southern and Central Areas, having depleted staff complements after secondments to Water and the Western Area, carry out planned and unplanned maintenance utilising the normal SCM process. This process does not allow for the rapid response that is required in order to attend to mechanical and electrical failures, which will inevitably occur, regardless of the quality of the maintenance performed. A key deficiency of the normal SCM process is the limit of R200 000-00 for WQ contracts. Given the inflationary rise in the cost of components and services, without the associated increase in the WQ limit, the amount of work that can be performed using this process is severely limited. In addition to this, and most importantly, over the last two years the Repairs and Maintenance budget has been depleted well before the start of the next financial year. No maintenance work, and/or repairs can be carried out without a budget.

Plan going forward for Wastewater: A contract that covers all areas, WS7071, has been advertised and closes on 2019-12-06, which will enable the M&E Branch to respond quickly to unplanned outages and perform urgent repairs and maintenance. It is expected that the contract will be awarded by the second quarter of 2020.

2. Please refer to paragraphs 1, 2 and 3 of the response to question 1 above. Please also bear in mind that reservoirs should be designed to have 48 hours storage and that in many instances there is no redundancy available in Pump Stations due to growing demand that was unmatched with Capital Upgrades of infrastructure. Illegal connections which increase demand beyond the predictions of any model as well as vandalism and theft (which is rife) are both factors that severely compromise M&E Operations but which fall outside the M&E ambit.
3. Please refer to paragraphs 4, 5 and 6 of the response to question 1 above. It is also important to note that delays in repairs to pumps and maintenance are not the only factors that result in overflows. As stated above, vandalism and cable theft result in copious amount of downtime, with repairs of these instances taking considerable time to resolve. Illegal connections to sewer networks also result in large amount of sand ingress into Treatment Works and Pump Stations as well as incoming flow much higher than design parameters.

4. The current delays being experienced in backfilling is primarily due to the shortage of material (crusher run). The contract expired in February 2019 and the stock for six months was procured. However, till this day the contract is not available. It must be noted that this is a corporate contract. As line management we have been engaging without success. There is no SLA in place, however, backfill on the road must be repaired within 12 hours and on the verge within 7 days.
5. Refer to response to question 4 above. Re-instatement and backfilling are affected by the same material. The contract for both became active in August. The backlog for backfill has been completed, however, due to lack of material these jobs will have to be redone and re-instatement is currently being done.
- 6.1 There were only two Pump Stations not working during this period. One Pump Station was controlled by gravitating to another pump Station. The other Pump Station is still under repair. Riverside Road and Johanna Road Pump Stations. There have been infrequent Pump Station failures due to electrical supply, etc which have been resolved within 8 hours.
- 6.2 11566.
7. Nil report was submitted.
8. There are 67 TLB's and 44 employees.
9. There is a current contract on TLB's and it is currently being used to hire more TLB's on a "as and when needed" basis.
- 10.1 The Sachet Plant is currently not working.
- 10.2 It was purchased in 2017 for approximately R1.6 million.
- 10.3 The machine has constantly had breakdowns over the past three years and there is currently no maintenance contract to increase productivity on the machine and keep it operational.
- 10.4 Currently it costs approximately R10 000-00 every three days to keep it running.
- 10.5 The Sachet Plant is operated by the Water Plant Department. In the absence of a maintenance contract, the EWS Mechanical and Electrical Department has assisted to keep it operational.
- 10.6 The Manager: Water and Plant Logistics

9.6

Questions submitted by Councillor GM Noyce: Provision of Lollypop Men and Women for Scholar Road Crossing at KwaNyuswa (28/2/9/1):

This Council noting:

The considerable effort this Council has invested in keeping school children safe on our roads through speed humps.

The difference in layout between rural and urban areas i.e. many rural areas have developed along one main road which carries almost all the traffic due to lack of connector roads.

The number of schools which have developed along main roads or very close to them.

The dangerous conditions under which school children have to cross this main road.

These questions have particular reference to KwaNyuswa which stretches out along the main road for a considerable distance and the community have raised this concern.

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

- 1. Does the Council provide Metro Police or “Lollypop men and women” to assist small school children cross these main roads?**
- 2. If they do still pay for this protection are they aware of the acute shortage of people doing this job in rural areas?**
- 3. Does the City have adequate funds to extend this program?**
- 4. If not, why not since children are our future?**

The following respective responses were provided:-

1. Metro police had for many years 313 Scholar patrols deployed to various schools across eThekweni. These Scholar patrols were part time workers and paid by the hour. A decision was ultimately taken beginning 2018 that all current Scholar patrols then be made permanent staff at a salary of R5000 per month - This conversion ultimately took place.

Any further requests after that for scholar patrols were done by deployments of Authorised Officers / Constables from the regions as and when required. In other words, due to the permanent nature now of scholar patrols, ad hoc scholar patrols paid per hour have been stopped. A needs analysis will be initiated between eThekweni and the Provincial Department of Transport (DOT), this due to various schools being the responsibility of DOT.

2. Yes. We are aware of the acute shortage, this will be determined in final number when analysis finalised.
3. The salaries budget without allowances and overtime is R 865 502 890 per annum.

The salaries budget is adequate for newly recruited Authorised Officers and those currently being recruited, but based on explanation given in para 1 above, we are not recruiting ad hoc per hour scholar patrols, this as the expectation of permanent appointment would be created - The recruitment addition currently underway will cater for extra deployments to an extent

4. N/A

9.7

Questions submitted by Councillor M Tembe: Logistics trucks using residential roads to reach Durban Harbour (28/2/R):

Trucking in and around the Durban Harbour has for many years caused problems for residential communities around the harbour and along logistics routes

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

1. **Are logistics trucks allowed to utilise residential roads to reach the Durban harbour?**
 - (a) **If not, which classes of roads are heavy duty trucks allowed to utilise?**
2. **How much resources are allocated by the KZN traffic department to assist Metro Police in prosecuting road traffic violations surrounding the harbour?**
3. **Will eThekweni be able to obtain additional human resources from the KZN Department of Transport to assist Metro Police in prosecuting illegal trucking surrounding the harbour and communities surrounding the harbour?**
 - (a) **If yes, what resources will these be?**
 - b) **If no, why not?**
4. **Does the City have plans to build additional staging areas for logistical trucks and drivers heading to the harbour to ease traffic congestion? Excluding Cato Ridge.**
5. **Does the City have sufficient space to store trucks that have been towed by Metro Police?**
 - (a) **If not, are there plans to acquire additional storage space?**

The following respective responses were provided:-

1. The National Land Transport Act allows trucks to use all roads (and all classes of roads) and nothing prevents them from using any public road, except if there is any regulatory road traffic signage that prevents them from using a particular road.
2. KZN Traffic Department has assisted Metro Police on Bayhead Road in the past, but they have not been assisting in recent years. KZN Traffic Department assisted with suspending unroadworthy trucks and teaching Metro Police officials what to look for mechanically. KZN traffic is under resourced and focusing on the main routes.
3. The KZN Dept. of Transport is under resourced currently so getting extra personnel is not an option. We have been developing a capacity in house to deal with truck enforcement with the assistance of Daniel Hiralal of ETA. Our teams are managed by A/Supt Singh based in the South. Members have been receiving ongoing training.

4. The eThekweni Transport Authority has initiated a study specifically for the precinct around the Port of Durban, to develop a plan to develop truck stops and staging areas and determine the best operating model to get these facilities developed with (or by) private sector operators and investor. The eThekweni Transport Authority is procuring the services of specialist service providers and the appointment of services providers is currently in the SCM process.
5. Metro Police do not have any towing contract for trucks for the last few years, so Metro Police cannot remove obstructions. In exceptional circumstances Metro Police depend on City Fleet to assist. The City has no facilities to store heavy motor vehicles. The KZN Transport testing grounds do not have enough space for trucks either.

We are trying to obtain tow trucks, but it is dependent on Fleet. Daniel Hiralal is also assisting in locating storage premises.

9.8

Questions submitted by Councillor S Sewshanker: Operations in the Clairwood trucking unit (28/2/R):

Trucking in and around the Durban Harbour has for many years caused problems for residential communities around the harbour and along logistics routes.

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

1. **How many Metro Police Officers are currently assigned to the Clairwood trucking unit?**
2. **What is the optimal number of members required for this section to operate effectively?**
3. **How many vehicles are currently assigned to the Clairwood trucking unit?**
4. **What is the optimal number of vehicles required for this section to operate effectively?**
5. **Are there any plans by the City to allocate additional human and physical resources to this Unit in the next two financial years (2019/2020, 2020/2021) to better equip this Unit to perform its mandate more effectively?**
6. **How long has the City been without a heavy duty vehicle towing contract being in place?**
7. **When will the heavy vehicle towing contract be finalised?**
8. **What are the reasons for the delays in finalising a towing contract?**

The following respective responses were provided:-

1. Clairwood does not have a Trucking unit perse. The members working at the Clairwood Satellite Metro Police Station, were initially deployed to enforce specifically in the Clairwood area and this was due to the high number of infringements/complaints. Trucking is one of the problems that they attend to.

2. The optimal number of members required is:
 - 1 Captain
 - 10 Police Constables
 - 10 Traffic Wardens to work foot beat
 - Each shift requires (2 shifts on a 4 day rotational shift cycle)
3. For the Unit to be effective, it requires:
 - Six (6) vehicles
 - One (1) Quantum
4. We currently have three (3) vehicles allocated
5. Yes. The City has the intention to increase resources here, recruitment has begun and second batch employed (training to begin) and vehicle resources have been requested
- 6, 7 & 8 With regard to KZN RTI / DOT, we have not got explanation for being under-resourced, we do have additional resources deployed to the Bayhead area, but this is complicated by Truck drivers increasing use of Bluff road as an access point.

(His Worship the Mayor, Councillor TM Kaunda, presented the First Report of the Executive Committee).

FIRST REPORT OF THE EXECUTIVE COMMITTEE

(Meeting held 2019-12-03)

- PRESENT** : Executive Committee Members BF Scott (Deputy Mayor and Acting Chairperson), Y Govender, SA Kaunda, TM Mthethwa, MS Nkosi, T Sabelo, N Sibiya and NI Sithole.
- ABSENT** : His Worship the Mayor TM Kaunda (Mayor and Chairperson: Municipal Business) and Executive Committee Member NL Graham (Leave).

1. REPORT OF ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE:
MEETING HELD 2019-11-14

(Page R1)

- 1.1 Application in Terms of Section 46 of the eThekweni Municipality: Planning and Land Use Management By-Law 2016 (Municipal Notice 114 of 2017) for the Amendment of the North Scheme, Section 7: Development Facilitation Table: Activity Zone by the Insertion of Additional Controls in Respect of Erf147 Mount Moreland, Situated Adjacent to the Dube Trade Port Agrizone (West of the MR102) (21/7/3):
(Page 18: Economic Development and Planning Committee - Agenda 2019-11-14)

COMMITTEE RECOMMENDS:

- 1.1.1 That, in terms of Section 26(1) (b) of the eThekweni Municipality Planning and Land Use Management By-Law 2016 (Municipal Notice 114 of 2017), the application for the amendment of the North Scheme: Section 7: Development Facilitation Table: Activity Zone, be adopted, for the following reasons:
- 1.1.1.1 The proposed scheme amendment is site specific and ensures that Erf 147 Mount Moreland is developed in a cohesive and responsible manner, in line with the development goals of the area and infrastructure availability.
- 1.1.1.2 The proposed Whetstone Business Park is a development based on sound Spatial Planning and Land Use Management (SPLUMA) Development Principles and Urban Design Criteria.
- The North Scheme: Section 7: Development Facilitation Table: Activity Zone will be amended to include the following Additional Controls numbered as follows:
- “5. Whetstone Business Park, Erf 147 Mount Moreland is subject to the following:
- 1.1.1.2.1 No individual site shall exceed a Floor Area Ratio of 0.93.
- 1.1.1.2.2 A Transport Depot shall be a freely permitted land use as shown on Precinct Plan No. WBP/PP dated 14 August 2019, within the Activity Zone of the Whetstone Business Park.
- 1.1.1.3 Development of this site in terms of roads provision and transportation shall be to the satisfaction of the Head: eThekweni Transport Authority.
- 1.1.1.4 Precinct Plan No. WBP/PP dated 14 August 2019 shall be applicable, and any amendments to the Precinct Plan shall require a Special Consent.

The North Scheme will be amended to reflect the following amended Development Facilitation Table:

ZONE: ACTIVITY						
<p>SCHEME INTENTION: To provide, preserve, use land or buildings that accommodate a wide range office, warehouse and service activities, including storage and distribution, in such way that the uses contribute towards the creation of a harmonious, well balanced environment of the highest aesthetic, landscaping and urban design quality.</p> <p>MAP REFERENCE: NS/05/2012 COLOUR NOTATION: Purple with Grey cross-hatch</p>						
PRIMARY		SPECIAL CONSENT		PRECLUDED		
<ul style="list-style-type: none"> • Arts and Crafts Workshop • Builder Yard • Car Wash • Conservation Area • Convention Centre • Display Area • Dwelling House* • Flea Market • Fuelling and Service Station • Garden Nursery • Health & Beauty Clinic • Health Studio • Industry – Light • Institution • Laundry • Motor Display Area • Motor Vehicle Test Centre • Motor Workshop • Museum • Office • Office-Medical • Parkade • Place of Public Entertainment • Private Open Space • Public Open Space • Restaurant/Fast Food Outlet • Shop • Warehouse 		<ul style="list-style-type: none"> • Action Sports Bar • Adult Premises • Agricultural Activity • Airport • BTTS* • Betting Depot • Chalet Development • Crèche • Direct Access Service Centre • Educational Establishment • Flat • Funeral Parlour • Government/Municipal • Mortuary • Motor Garage • Multiple Unity Development • Nature Reserve • Night Club • Pet Grooming Parlour • Place of Public Worship • Retirement Centre • Special Building • Transport Depot • Truck Stop • Veterinary Clinic 		<ul style="list-style-type: none"> • Agricultural Activity • Agricultural land • Boarding House • Cemetery/Crematorium • Container Depot • Correctional Facility • Escort Agency • Industry – Extractive • Industry - General • Industry – Noxious • Landfill • Mobile home & Camping ground • Recycling Centre • Reform School • Refuse Disposal • Restricted Building • Riding Stables • Scrap Yard • Zoological Garden 		
ADDITIONAL CONTROLS						
<ol style="list-style-type: none"> 1. All landscaping to the satisfaction of the Municipality. Open areas not required for parking and vehicular circulation shall be landscaped. 2. A Dwelling House maybe permitted for use of a caretaker, manager, or security personnel. 3. An increase in Height to 8 storeys where special circumstances exist by Special Consent. 4. BTTS shall mean Base Telecommunications Transmission Station 5. Whetstone Business Park, Erf 147 Mount Moreland is subject to the following:- <ol style="list-style-type: none"> 5.1 No individual site shall exceed a Floor Area Ratio of 0.93. 5.2 A Transport Depot shall be a freely permitted land use as shown on Precinct plan no. WBP/PP dated 14 August 2019 within the Activity Zone of the Whetstone Business Park. 5.3 Development of this site in terms of roads provision and transportation shall be to the satisfaction of the Head: eThekweni Transport Authority. 5.4 Precinct plan no. WBP/PP dated 14 August 2019 shall be applicable, and any amendments to the Precinct Plan shall require a Special Consent. 						
DEVELOPMENT PARAMETERS						
SPACE ABOUT BUILDINGS		DWELLING UNITS PER HECTARE	MINIMUM ERF SIZE	HEIGHT IN STOREYS	COVERAGE	FLOOR AREA RATIO
BUILDING LINE	SIDE SPACE REAR SPACE	Not Applicable	To the discretion of the Municipality	5*	80%	4.0

ADOPTED.

- 1.2 Request for Support of African Chemicals Imbizo, 23-25 March 2020, Inkosi Albert Luthuli International Convention Centre (20/1/6/3):
(Page 25: Economic Development and Planning Committee - Agenda 2019-11-14)

Authority is being sought for a financial contribution towards the payment for the use of the Inkosi Albert Luthuli International Convention Centre. This is in relation to the support to be given to host the 2020 African Chemicals Imbizo, scheduled to take place from 23 to 25 March 2020.

The support by the Municipality is in line with the provisions in terms of the National Industrial Development Policy Framework; the National Chemicals Strategy; eThekweni’s Integrated Development Programme; and the Economic Development & Job Creation Strategy aimed at promoting and supporting the chemicals manufacturing industry.

The planned Imbizo will serve as a platform for stakeholders to facilitate overcoming challenges; identifying new opportunities for investment, economic growth and job creation through engagements between suppliers and buyers.

In view of the foregoing,

COMMITTEE RECOMMENDS:

- 1.2.1 That authority be granted for eThekweni Municipality to support the 2020 African Chemicals Imbizo scheduled for 23 to 25 March 2020, by subsidizing the associated venue costs, in line with the National Industrial Development Policy Framework; the National Chemicals Strategy; eThekweni’s Integrated Development Planning; as well as the Economic Development & Job Creation Strategy aimed at promoting and supporting the chemicals manufacturing industry.
- 1.2.2 That, subject to the approval of .1 above, authority be granted to the Deputy City Manager: Economic Development and Planning to facilitate the disbursement of funds in the amount of R433 220.00 (Four Hundred and Thirty Three Thousand Two Hundred and Twenty Rand), excluding VAT, Inkosi Albert Luthuli International Convention Centre for the use of venue, it being recorded that the total estimated costs to host the event amounts to R1 200 000.00 (One Million Two Hundred Thousand Rand) which will be raised through sponsorships, advertising and delegate fees.

Vote Number	Amount	Financial Year
26102.22710.30.12120.38874.0010.0000	R433 220.00	2019/2020

FC No.:2020/18/24

ADOPTED.

- 1.3 Scheme Extensions in Terms of the Spatial Planning and Land Use Management Act 16 of 2013: Permission to Advertise the Proposed Extension of the North, South, Inner West, Outer West and Central Regional Land Use Schemes of the eThekweni Municipality (21/7/11):
(Page 195: Economic Development and Planning Committee - Supplementary Agenda 2019-11-14)

COMMITTEE RECOMMENDS:

- 1.3.1 That authority be granted for the Deputy City Manager: Economic Development and Planning, through the Land Use Management Branch, to advertise the extension

of the North, South, Inner West, Outer West and Central Regional Land Use Schemes of the eThekweni Municipality for public participation, in line with the requirements of Section 14 (2) of the eThekweni Municipality Planning and Land Use Management By-Law, 2016.

- 1.3.2 That, on conclusion of the public participation process, the extension of the North, South, Inner West, Outer West and Central Regional Land Use Schemes of the eThekweni Municipality to form a single Land Use System for the eThekweni Municipality, together with all maps, Scheme Regulations and relevant documentation be submitted to Council for adoption, in compliance with Section 24 of the Spatial Land Use Management Act No. 16 of 2013.

ADOPTED.

- 1.4 Request to Advertise the Annual Review of the Central, North, South, Inner West and Outer West Land Use Schemes (21/7/11):
(Page 198: Economic Development and Planning Committee - Supplementary Agenda 2019-11-14)

COMMITTEE RECOMMENDS:

- 14.1 That authority be granted for the Deputy City Manager: Economic Development and Planning, through the Land Use Management Branch, to advertise the Annual Review of the Central, North, South, Inner West and Outer West Land Use Schemes of the eThekweni Municipality for public participation, in line with the requirements of Section 14 (2) of the Planning and Land Use Management By -Law, 2016.
- 1.4.2 That on conclusion of the public participation process, the Central North, South, Inner West and Outer West Land Use Schemes and proposed amendments be submitted to Council for adoption.

ADOPTED.

- 1.5 Application in Terms of Section 46 of the eThekweni Municipality: Planning and Land Use Management By-Law 2016 for Amendment of the North Scheme, Section 7, Development Facilitation Table: Special Zone 11: Umhlanga Ridge Town Centre by Amendment of Additional Controls Under Clauses (r), (u) and Insertion of Clause (gg). (21/7/4).
(Page 201: Economic Development and Planning Committee - Supplementary Agenda 2019-11-14)

COMMITTEE RECOMMENDS:

- 1.5.1 That in terms of Section 26(1) (b) of the eThekweni Municipality Planning and Land Use Management By-Law 2016 (Municipal Notice 114 of 2017), the application for the amendment of the North Scheme: Section 7: Development Facilitation Table: Special Zone 11: Umhlanga Ridge Town Centre to **amend** Clause (r) and Clause (u) and by **inserting** Clause (gg) as follows:

(r) *The Residential Precinct (consisting of Precincts 9 - 11) will consist of **4300 residential units and 34 000m² of commercial bulk.***

(u) *Notwithstanding (s) and (t) above, development rights (including coverage) on any site within the Umhlanga Ridge Town Centre Commercial may be amended (transferred to any other site), provided that such amendment does not result in an increase to the amount stipulated in (q) and does not result*

in an increase of FAR on a particular site and no site shall have an FAR less than 0.5, with the exception of sites intended for business park uses (in URTC) open space/recreational purposes and parking Area/Parkade related uses.

(gg) *An approved Precinct Plan, within the Residential Precinct (consisting of Precincts 9 - 11) may be amended by agreement with the Head: Development Planning, Environment and Management and Head: EThekweni Transport Authority provided that the amendment does not result in an increase to the rights provide for in (r) above, as well the total number of trips provided within the Umhlanga Ridge Town Centre. The amendment should not result in an increase of FAR on a site and no site shall have a FAR of less than 0.5, with the exception of sites intended for open space/recreational purposes and parking Area/Parkade related uses.*

be adopted for the following reasons:

- 1.5.1.1 The proposal is broadly in line with the eThekweni Municipality’s objective to promote spatial efficiency by optimizing development in areas of greatest opportunity/encourage efficient use of infrastructure and facilities.
- 1.5.1.2 The SDF identifies Umhlanga as a Tourism and Recreational Node in the Municipal area and is expected to provide a range of cultural, recreational and tourism opportunities for local economic development.
- 1.5.1.3 The proposal is in line with the Municipality’s Densification Policy as the proposed scheme amendment will allow for a variety of densities.

The North Scheme will be amended to reflect the following amended Development Facilitation Table:

SPECIAL ZONE 11: UMHLANGA RIDGE TOWN CENTRE			
PAGE 1 OF 4			
<p>SCHEME INTENTION: This zone applies to the developments commonly referred to as the Umhlanga Ridge Town Centre (URTC). The purpose of this zone will be to accommodate a wide range of recreational, entertainment, tourist, residential, shopping and business or commercially related and Business Park activities, in such a way that the uses contribute towards the creation of a dynamic, harmonious and well-balanced new town centre of the highest aesthetic, landscaping and urban design quality.</p>			
<p>MAP REFERENCE: NS / 05 / 2012 (PROPOSED)</p>		<p>COLOUR NOTATION: Black cross-hatch with 'SZ 11' inserted</p>	
PRIMARY	SPECIAL CONSENT	PRECLUDED	
<ul style="list-style-type: none"> • Action Sports Bar • Arts and Crafts Workshop • Car Wash • Conservation Area • Convention Centre • Crèche • Display Area • Dwelling House • Educational Establishment • Flat • Flea Market • Fuelling and Service Station • Garden Nursery • Government / Municipal • Health & Beauty Clinic • Health Studio • Hotel • Laundry • Motor Display Area • Multiple Unit Development • Museum 	<ul style="list-style-type: none"> • BTTS* • Adult Premises • Betting Depot • Direct Access Service Centre • Funeral Parlour • Institution • Night Club • Place of Public Entertainment • Place of Public of Worship • Special Building • Truck Stop • Veterinary Clinic 	<ul style="list-style-type: none"> • Agricultural Activity • Agricultural Land • Airport • Boarding House • Builder's Yard • Cemetery / Crematorium • Chalet Development • Container Depot • Correctional Facility • Escort Agency • Industry - Extractive • Industry – General • Industry – Light • Industry – Noxious • Landfill 	<ul style="list-style-type: none"> • Mobile Home Park & Camping Ground • Mortuary • Motor Garage • Motor Vehicle Test Centre • Motor Workshop • Nature Reserve • Recycling Centre • Reform School • Refuse Disposal • Restricted Building • Riding Stables • Scrap Yard • Transport Depot • Zoological Garden

<ul style="list-style-type: none"> • Office • Office – Medical • Parkade • Pet Grooming Parlour • Private Open Space • Public Open Space • Restaurant / Fast Food Outlet • Retirement Centre • Shop • Warehouse 			
ADDITIONAL CONTROLS			
<p>General</p> <p>a) The purpose of this zone will be to accommodate a wide range of recreational, entertainment, tourist, residential, shopping and business or commercially related activities, in such a way that the uses contribute towards the creation of a dynamic, harmonious and well-balanced Town Centre of the highest aesthetic, landscaping and urban design quality. BTTTS shall mean Base Telecommunications Transmission Station.</p> <p>b) The URTC, provides the over-arching policy statements and basic intent of this zone and details the role and context of the Umhlanga Ridge New Town Centre (URTC).</p> <p>c) The rationale on which any decision taken, for the URTC, within the context of this zone must be based and provides the over-riding principles for all decision making.</p> <p>Development Framework</p> <p>d) The URTC is divided into a Commercial Precinct consisting Precincts 1 -8 and a Residential Precinct consisting of Precincts 9 – 11.</p>			
SPECIAL ZONE 11: UMHLANGA RIDGE TOWN CENTRE			
PAGE 2 OF 4			
<p>e) The URTC development controls are defined in terms of land use specifically and floor area ratio generally. These and other controls are to be detailed, on a site by site basis, in the Precinct Plans as envisaged in (tt) and (uu) below.</p> <p>f) Land use is defined according to five general land use categories, Business Park, Mixed Use 1, Mixed Use 2, Residential, Open Space/Recreation and Parking Area/Parkade. The activities permitted within these general land use categories are to be determined according to firstly the zone, secondly as broadly defined in (z), (aa), (bb), (cc) and (dd) below and thirdly as detailed in the Precinct Plans as provided for in (tt) below. The associated Primary, Consent and Precluded uses are described more fully in the Precinct Plans as envisaged in (ss) and (tt) below.</p> <p>g) Height is defined, per site, in terms of a minimum height, which must be developed and a maximum permissible height per site as provided for in (ff) below.</p> <p>h) The Development Frameworks' floor area ratio is defined in accordance with (v), (w) and (x) below and defined in terms of two basic parameters, namely, a <u>minimum</u>, "to be developed", bulk floor area and a <u>maximum</u> developable bulk floor area. These are defined, per site, on the Precinct Plans as provided for in (tt) below and in accordance with in (u) and (v) below.</p> <p>i) The Development Frameworks' FAR and Height controls may be amended with the Consent of the Municipality, provided that the amendment is in accordance with the provisions of this zone, will not result in the bulk floor area specified in (l) below being exceeded (subject to clause (r) below) and provided that the Design Review Panel has provided its support in writing for such application.</p> <p>j) Any other component of the Development Frameworks for which an amendment is sought shall only be approved by the Municipality in a manner deemed appropriate by the Head: Development Planning and Management.</p> <p>Development Rights - General</p> <p>k) All development rights within the URTC shall be allocated/distributed/transferred/used in accordance with the provisions of this zone and shall be extracted/drawn' from the "Rights Bank" as envisaged in (n) below.</p> <p>l) All development rights within the URTC shall be allocated/distributed/transferred/used solely by the Primary Developer or by another party with the written consent of the Primary Developer.</p> <p>m) Such written consent shall include a sale agreement.</p> <p>n) The <u>total</u> envisaged development rights, as stipulated in (q) and (r) below, will be 'held' in a "Rights Bank" and managed by both the Municipality and Primary Developer as envisaged in (s) below.</p> <p>o) Any additional development rights sought, over and above the amounts stipulated in (q) and (r) below, shall be subject to a Scheme amendment.</p> <p>p) The Municipality and the Primary Developer shall maintain an accurate and up-to-date record of both the sale and use of development rights in the URTC in a proper and accessible manner which shall be subject to annual audit by an independent body if deemed necessary by any of the parties.</p> <p>Development Rights – Specific</p> <p>q) The total development rights envisaged for the Commercial Precinct (consisting of Precincts 1 -8) of the URTC are 648 000 m². This excludes the Residential Precinct.</p>			

- r) The Residential Precinct (consisting of Precinct 9 - 11) will consist of 4 300 residential units and 34 000m² of commercial bulk.
- s) No site shall have an FAR of greater than 2.7 unless with the Consent of the Municipality, as envisaged in (t) and (u) below and provided that the total development rights as stipulated in (r) above, does not increase, and provided further that no site shall have an FAR of less than 0.5, with the exception of the sites intended for Business Park (in the URTC), open space/recreational purposes and Parking Area/Parkade related uses.
- t) An increase in FAR above 2.7 shall be applied for by way of a Consent application to the Municipality provided such amendment has the written support of the Design Review Panel.
- u) Notwithstanding (s) and (t) above, development rights (including coverage) on any site within Umhlanga Ridge Town Centre Commercial may be amended (transferred to any other site), provided that such amendment does not result in an increase to the amount stipulated in (q) and does not result in an increase of FAR on a particular site and no site shall have an FAR of less than 0.5, with the exception of sites intended for business park uses (in URTC) open space/recreational purposes and Parking Area/Parkade related uses.
- v) At any stage once all of the sites in the URTC have been sold, should the total development rights sold not equal to, or exceed, the amount stipulated in (u) above, the difference (including any rights which may still be taken up in the 4-year take-up option period as contemplated in (ss) below) shall be reallocated to the Primary Developer for use/sale in the URTC should it be required at some future stage.

Additional Controls

- z) Mixed Use 1 refers broadly to the following activities and uses, and the activities generally related to these: retail, office, commercial and residential. Garage or Petrol Filling Station uses and activities are not permitted with the exception of the repair of vehicles (excluding spray painting and panel beating) generally relating to the fitting of vehicle parts and accessories, the display, storage and parking of motor vehicles and the sale of vehicles, vehicle parts and accessories and shall only be permitted on the specific sites within the URTC as depicted on the approved Precinct Plans.
- aa) Mixed Use 2 refers broadly to the following activities and uses, and the activities generally related to these: retail, office, commercial, residential and Fuelling and Service Station.
- bb) Business Park (for the Commercial Precinct only) refers to retail, office, warehouse and commercial uses. Fuelling and Service Station uses are not permitted with the exception of the repair of vehicles (excluding spray painting and panel beating) generally relating to the fitting of vehicle parts and accessories, the display, storage and parking of motor vehicles and the sale of vehicles, vehicle parts and accessories and shall only be permitted on the specific sites in the URTC as depicted on the approved Precinct Plans.
- cc) Open Space/Recreation refers broadly to, and permits, the following activities and uses and the activities related to these: open space, recreation, office and retail.
- dd) Parking Area/Parkade refers broadly to, and permits, the following activities and uses generally related to these: parking of vehicles (in and out of structure), landscaping and limited retail, kiosks to accommodate uses such as flower and newspaper sellers, etc., office (ancillary to the parkade only) and caretaker uses with the approval of the Head: Development Planning and Management.
- ee) The Primary Developer shall provide the Municipality with guarantees as it relates to the parking area/Parkade prior to Building Plan approval.
- ff) Residential refers to flats, multiple unit developments.
- gg) The Land Use on any site, as indicated on the Precinct Plans, may be amended by way of Consent application to the Municipality, as provided for in (ww) below, provided such amendment has the support, in writing, of the Design Review Panel.
- hh) An approved Precinct Plan, within the Residential Precinct (Precincts 9 - 11) may be amended by agreement with the Head: Development Planning and Head: eThekweni Transport Authority (ETA) provided that: - the amendment does not result in an increase to the rights provided for in(r) above, as well as the total number of trips provided for within Umhlanga Ridge Town Centre Residential. The amendment should not result in an increase of FAR on a particular site and no site shall have a FAR of less than 0.5, with the exception of sites intended for open space/recreational purposes and Parking Area/Parkade related uses.
- ii) The maximum permitted height (including any and all structures (with the exception of architectural and aesthetic elements) and levels, including all parking levels and structures) on any site within the URTC shall be as indicated on the Precinct Plans and shall be based upon a building height envelope, that is translated, on a site by site basis, into a specific height above mean sea level (msl), for each indicated number of storeys such that it is the height envelope (in metres and translated to msl) that will be the primary determinant of height and not the number of storeys.
- jj) The Height of any site within the URTC may be amended by way of Consent application to the Municipality, as provided for in (ww) below, provided such amendment has the support, in writing, of the Design Review Panel.
- kk) Parking areas (covered and uncovered) shall not be included in FAR and coverage calculations but will be included within the building height envelope and msl levels.
- ll) Awnings, canopies, arbours, colonnades, balconies, or any other similar structure within the sidewalk area shall not be included in coverage and FAR calculations.
- mm) Building Line = nil unless otherwise indicated on a Precinct Plan.
- nn) Side and Rear space = nil unless otherwise indicated on a Precinct Plan.

- oo) Every site shall be subject to a Build-To line or Building restriction area as detailed in the Precinct Plans as envisaged in (rr) and (ss) below. The boundary of the site abutting a street or streets shall be regarded as a Build-To line on which a minimum of 90% of a building's street-facing façade must be built. This does not include overhanging elements such as balconies, eaves etc. which may extend beyond the Build-To line.
- pp) In respect of a Fuelling and Service Station being developed on any site within a Mixed Use 2 area (as may be provided for in the Precinct Plan as contemplated in (rr) below), such facility may constitute no more than 25% of the total floor area used on the site, unless agreed to by the Primary Developer, and must be an integral part of the building developed on the site. Such use/building shall be subject to specific design and planning controls as stipulated by the Primary Developer which are to be included in the Site Development and Landscaping Plans as contemplated in (xx) below.
- qq) In respect of any parking garage or commercial workshop being developed on any site, such use/building shall be subject to specific design and planning controls as stipulated by the Primary Developer. Such controls shall be included in the Site Development and Landscaping Plans as contemplated in (xx) below.
- rr) A caretaker's flat not exceeding 200m² shall be permitted on any site within the URTC.
- ss) A Property Owners Association shall be formed for the URTC, and every site owner and occupier shall belong to, ascribe to the objects of, abide by, and be bound by, the requirements of this Association.
- tt) The Development shall each be divided into 1 or more Precincts. Each Precinct shall have a Precinct Plan prepared for it and approved by the Head: Development Planning and Management prior to the sale of any site within a particular Precinct.
- uu) A Precinct Plan shall include, at least, site specific details on each of the following: -
- Land Use Controls, Minimum FAR, Maximum FAR, Minimum Coverage, Maximum Coverage, Minimum Height, Maximum Height (expressed as a height envelope and msl), Building Lines, Build-To Lines and/or Building Restriction Areas, Parking provisions, Landscaping, Site accesses, Use of Sidewalks, Additional, site particular, Design and/or Planning Controls, Informal Trading areas if applicable, Bus/Taxi Ranks if applicable and Bus/Taxi Lay bays if applicable.
- uu) The land use controls which are described for a site in a Precinct Plan shall not be in conflict with this zone or with the broad definitions in (z), (aa), (bb), (cc), (dd) and (ee) above.
- vv) Parking provisions, and requirements, within this zone shall be detailed in each of the Precinct Plans and shall be subject to the approval of the Municipality. Such provisions may include the allocation and reservation (in a manner approved by the Head: Development Planning and Management) of no more than 75% of the required number of parking bays (as determined in the Precinct Plan) for any site within a Precinct Plan, on any other site within the same block or Precinct as that particular site.
- ww) The parking provisions and requirements, as detailed in the Precinct Plans may be relaxed for any specific use or development only with the approval of the Head: Development Planning and Management.
- xx) An approved Precinct Plan within the Commercial Precinct (Precincts 1-8) may be amended by way of a Special Consent application to the Municipality provided that the desired amendment is not in conflict with the provisions of this zone and provided that the Design Review Panel has given its support, in writing, for the amendment.
- yy) Every site shall have a Site Development Plan and Landscaping Plan prepared for it by the developer prior to any construction on the site and development on the site shall be in accordance with such Plans.
- zz) All Site Development and Landscaping Plans will be reviewed by the Design Review Panel prior to submission to the Municipality and prior to the submission of Building Plans to the Municipality.
- aaa) Should the Municipality require it, a visual assessment shall be provided with a Site Development Plan prior to the approval of such plan by the Municipality.
- bbb) Open areas not required for parking and circulation shall be landscaped in accordance with the details in the Landscaping Plan.
- ccc) The Municipality will be responsible for approving all Site Development Plans, Landscaping Plans and Building Plans with the provision that no Building Plan may be approved unless a Site Development Plan and a Landscaping Plan have been reviewed and accepted, in writing, by the Design Review Panel and provided that the Building Plan has been recommended, in writing, for approval by the Design Review Panel.

ADOPTED.

- 1.6 Request for Approval: Partnership Investment: Route Development Committee Marketing and Public Relations Campaign (20/1/4):
(Page 212: Economic Development and Planning Committee - Supplementary Agenda 2019-11-14)

The Route Development Committee is an inter-governmental structure established to co-ordinate and promote international air service to the King Shaka International Airport. Also, to promote the Province of KwaZulu-Natal (KZN) as a must-visit tourist destination with great potential for investors and cargo handling.

In 2013, direct flights by Air Mauritius to Durban commenced, with a frequency of three (3) times a week. In the last quarter of 2019/2020, there was however a significant growth in load factors, which resulted in Air Mauritius increasing its frequency to four (4) times a week. The Airline’s long-term plan is to increase its frequency to Durban from 4 times to 7 times a week depending on the success of the media and marketing campaign.

Air Mauritius flies out to thirty (30) countries worldwide, which includes the Durban-KZN largest international source markets, which will enhance marketing opportunities in these countries and aligned markets to create incentive packages for holiday makers and business travelers.

Having considered the envisaged benefits for the Province,

COMMITTEE RECOMMENDS:

- 1.6.1 That approval be granted for the Deputy City Manager: Economic Development and Planning, through the Business Support, Tourism and Markets Unit, to implement the Route Development Committee partnership investment of R170 000.00 (One Hundred and Seventy Thousand Rand) during the 2019/2020 financial year to drive the marketing and public relations campaign linked to the increase frequency of Air Mauritius to Durban.
- 1.6.2 That, subject to the approval of .1 above, authority be granted for the City Manager to enter into a three-cornered Memorandum of Agreement (MOA) with Tourism KwaZulu-Natal and Trade and Investment KwaZulu-Natal Entities to embark in the campaign referred to above.
- 1.6.3 That authority be granted for the Deputy City Manager: Economic Development & Planning to allocate funds in the amount of R170 000.00 (One Hundred and Seventy Thousand Rand) for the 2019/2020 financial year to Tourism KwaZulu Natal as the provincial entity assigned to project manage the campaign, it being recorded that the total financial implication for the campaign amounts to R500 000.00 (Five Hundred Thousand Rand) which will be divided among the three parties to the MOA.

Vote Number	Amount	Financial Year
26003.21805.12120.0000.53500-52.0010	R 170 000.00	2019/2020

FC No.:2020/13/07

ADOPTED.

- 1.7 Durban Film Mart Programme (20/2/1):
(Page 218: Economic Development and Planning Committee - Supplementary Agenda 2019-11-14)

The Durban Film Mart is a programme of the Durban Film Office and is the only internationally recognized market programme in South Africa, which continues to attract patronage from key continental and global market leaders, which is extremely beneficial to the City. It has become necessary to establish the entity as a standalone, with various spheres of government and the private sector as stakeholders.

The original feasibility study recommended that the Durban Film Mart be constituted as a Non-Profit Company within three (3) years of the launch of Film Mart in 2010, and it is therefore proposed that it is registered as a Non-Profit Organization.

Having noted the foregoing,

COMMITTEE RECOMMENDS:

- 1.7.1 That authority be granted for the Deputy City Manager: Economic Development and Planning, through the Economic Development and Investment Promotion Unit, to establish the Durban FilmMart as a Non-Profit Organisation, the Durban FilmMart Institute, in an effort to maximise existing partnerships locally and internationally and attract substantial financial partnerships.
- 1.7.2 That authority be granted to the Deputy City Manager: Economic Development and Planning, through the Economic Development and Investment Promotion Unit, to continue supporting the Durban FilmMart programme for the development, growth and competitiveness of the sector, and allocate the requested funding to the newly established entity;
- 1.7.3 Subject to the approval of .1 above, and the establishment of the Durban FilmMart Institute, authority be granted to the City Manager to conclude a Memorandum of Agreement with the new Durban FilmMart Institute to give effect to the above.
- 1.7.4 That subject to .3 above, authority be granted to the Head: Economic Development and Investment Promotion Unit, to disburse funding to the Durban FilmMart Institute as follows:

R2 500 000.00 2019/2020
R2 500 000.00 2020/2021
R2 500 000.00 2021/2022

Financial Details:

Description	BU	Item	Fund	Costing	Project	Region	Proposed Expenditure	Financial Year
Durban Filmmart	26106	25445.190	12120	0000	63100-5	0010	R 2,500,000.00	2019/20
Durban Filmmart	26106	25445.190	12120	0000	63100-5	0010	R 2,500,000.00	2020/21
Durban Filmmart	26106	25445.190	12120	0000	63100-5	0010	R 2,500,000.00	2021/22

FC Number: 2020/18/35

ADOPTED.

2. REPORT OF COMMUNITY SERVICES COMMITTEE: MEETING HELD 2019-11-21

(Page R11)

2.1 Request for Approval to Implement Durban Art Gallery Events and Public Engagement Programme in the 2019/20 Financial Year (2/3/2/1/2) & (35/1/1/4):
(Page 157: Community Services Committee - Agenda 2019-11-21)

As part of effective oversight, the Committee would conduct site inspections of Municipal Art Galleries and understand the impact within the eThekweni Municipal area.

COMMITTEE RECOMMENDS:

- 2.1.1 That authority be granted for the Acting Deputy City Manager: Community and Emergency Services to incur expenditure in the amount of R3 139 480.00 (Three Million One Hundred and Thirty Nine Thousand Four Hundred and Eighty Rand) to co-ordinate and implement, during the 2019/20 financial year, various visual art programmes, exhibitions and public activities through Durban Art Gallery, the details of programmes being listed in the report by the City Manager dated 2019-10-02, with a view to promoting Art-for-All City-wide and intellectual empowerment through creative interaction.
- 2.1.2 That subject to the approval of .1 above, all procurement of goods and services be undertaken strictly in accordance with the Supply Chain Management Policy and the Municipal Finance Management Act, 2003, Circular 97 regarding Cost Containment Measures and the National Treasury Regulations 2019.

Financial Implications:

Total Amount: R3 139 480.00

FC No: 34/365 – Provided 2019/2020

ADOPTED.

- 2.2 Request for Support: Commissioning of the Mount Edgecombe Swimming Pool (31/2/1/3):
(Page 177: Community Services Committee - Agenda 2019-11-21)

It was noted that the eThekweni Municipal Council at its meeting held on 2019-10-31 referred the above matter for consideration at this Committee level. In deliberating on the matter, the Committee is in agreement that a feasibility study be conducted by the Parks, Recreation and Culture Unit to consider all aspects relating to the proposed incorporation of the Mount Edgecombe Swimming Pool into the Municipality's Pools structure.

Furthermore, that to obtain a better understanding of overall financial implications associated with this proposed takeover and, assessing whether the swimming pool would be of benefit to the local community, an inspection-in-loco would be conducted accordingly.

COMMITTEE RECOMMENDS:

That authority be granted for the Acting Deputy City Manager: Community and Emergency Services to, through the Parks Recreation and Culture Unit, conduct a detailed feasibility study into the Mount Edgecombe Swimming Pool to establish overall estimates of financial implications required to be invested in the maintenance and improvement of infrastructure thereof prior to a decision to incorporate it into the Council Assets Register.

ADOPTED.

- 2.3 Request for Project Authority to Engage Phansi Museum Board of Trustees to Incorporate Phansi Museum into eThekweni Municipality (35/2/R):
(Page L39: Community Services Committee - Agenda 2019-11-21)

COMMITTEE RECOMMENDS:

- 2.3.1 That authority be granted for the Acting Deputy City Manager: Community and Emergency Services to, through the Parks Recreation and Culture Unit, undertake a feasibility study into the Phansi Museum in order to explore appropriate options for both parties involved and to facilitate inspection-in-loco to empower the Community Services Committee to provide constructive input with regard to the proposed incorporation of Phansi Museum into eThekweni Municipality.
- 2.3.2 That authority be granted to the Head: Parks, Recreation and Culture, in liaison with the Head: Real Estates, to engage with the Board of Trustees of Phansi Museum with respect to possible integration of Phansi Museum into the eThekweni Municipality through a Lease Agreement, to ensure that Phansi Museum continues to operate and contribute meaningfully to the preservation and promotion of the City's cultural heritage.
- 2.3.3 That subject to the approval of .1 and .2 above, the Head: Parks, Recreation and Culture submit a comprehensive report to the Committee with information on all possible solutions after feasibility study and thereafter explore ways of funding such integration in the forthcoming financial year if final approval has been given , emphasis being made that the report following feasibility study be submitted timeously to Council in terms of developments in this regard.

ADOPTED.

- 2.4 Request for Authority for 3 Councillors to be Delegated to Accompany eThekweni Staff Sports Team to Attend the 2019 Department of Sports and Recreation Games in Vryheid, 29-30 November 2019:
(Page L42: Community Services Committee - Agenda 2019-11-21)

The Community Services Committee noted the importance of nominating a delegation of Councillors to accompany the Team of eThekweni Municipality participating in the Provincial Department of Sports and Recreation tournament from 20 to 30 November 2019 in Vryheid.

During deliberation at the Executive Committee, clarity was provided that travel by Councillors on Municipal Business is authorised at the full Council meeting level. Thereafter, the Speaker takes responsibility to nominate specific Councillors to form part of the travel. That financial implications be reflected for the Councillors to participate in this travel.

Accordingly,

COMMITTEE RECOMMENDS:

That authority be granted for a delegation of three (3) Councillors to accompany the eThekweni Municipality Staff Team to participate in the Provincial Department of Sports and Recreation tournament to be held from 20 to 30 November 2019 in Vryheid, North of KwaZulu-Natal and for the Speaker to nominate specific Councillors to participate thereon.

ADOPTED.

3. ETHEKWINI MUNICIPALITY PROPERTY RATES POLICY REVIEW 2020/21
(7/2/P)

(Page 53)

As per the statutory requirement, authority is sought to engage into public consultation with regard to the Property Rates Policy Review. Mention was made that all stakeholders, including the relevant Support Committee will find the opportunity to deliberate on the policy once public comments and input have been obtained.

Thereafter, the policy will serve before the Executive Committee and Council for a final approval. It was considered imperative that major policies serve before the Executive Committee in the first instance for a high level engagement.

The two (02) Members of the Democratic Alliance abstained on this matter at this stage. With the other Executive Committee Members being in support,

COMMITTEE RECOMMENDS:

That the proposed amendments to the 2020/2021 Rates Policy, as contained in the report of the City Manager dated 2019-10-04, be approved in-principle, in order for the Policy to be made public, for comments in terms of Section 4 of the Local Government: Municipal Property Rates Act No. 6 of 2004.

Some Councillors expressed concern that the above-mentioned policy on Property Rates Review had been submitted directly to the Executive Committee for consideration and as a consequence thereof majority of the Councillors did not have an opportunity to scrutinise such policy.

Clarity was provided that all policies would now be submitted directly to the Executive Committee for consideration in the first instance. Thereafter the policy would be submitted for public comment and subsequent thereto, re-submitted to Council for final approval.

It was confirmed that Support Committees would obtain the opportunity to deliberate on the Policy whilst it was still going through the Public Participation Process.

With no consensus being reached the matter was put to the vote. With 170 Councillors present, 101 Councillors (ANC – 91, IFP – 6, IND – 3 and AL JAMA-AH - 1) voted in favour and no Councillors voted against. 69 Councillors (DA – 56, EFF – 7, AIC – 1, ACDP – 1, MF – 1, DLC – 1, MOSA – 1 and APC - 1) abstained from voting.

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

4. APPLICATION TO NATIONAL MINISTER OF TRANSPORT FOR ASSIGNMENT OF OPERATING LICENSE FUNCTION TO ETHEKWINI MUNICIPALITY (26/3/1/2)

(Page 143)

The proposed centralization of the license function within the Municipality was accepted with great appreciation. The integration of this service to eThekweni Transport Authority and linking to Metro Police was considered to result into much-needed efficiencies in the licensing of public transport operators.

To gain a better insight into the proposed integration of the licensing function, confirmation has been given that the relevant Council Committee would be workshopped on the delivery of integrated and demand-driven public transport services; compliance requirements; monitoring and; enforcement thereof.

In the circumstances,

COMMITTEE RECOMMENDS:

- 4.1 That authority be granted for the City Manager to submit a formal application to the National Minister of Transport for the function and Regulations of Operating Licenses to be assigned to the eThekweni Municipality.
- 4.2 That authority be granted for the City Manager to negotiate the terms of assignment and the function with the KwaZulu-Natal Department of Transport, National Treasury and Financial and Fiscal Committee to ensure that appropriate funding and Human Resources arrangements are made before the assignment is approved.
- 4.3 That subject to the approval of .1 and .2 above, authority be granted to the Head: EThekweni Transport Authority to pursue the process for the establishment of a Municipal Regulatory Entity for the purpose of managing the operating license function, once the function is assigned to the Municipality.
- 4.4 That the City Manager give progress reports to Council on the matter from time to time.

Financial Implications:

The estimated costs of the assignment of the operating license function are listed in the table below:
The estimated costs of Municipal Regulatory Entity over 5 years

Total costs	Year 1	Year 2	Year 3	Year 4	Year 5
	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
R'000					
Capital	14 525	-	1 061	-	-
Once off Operating Costs	3 793	-	-	-	-
Staff Costs	15 503	16 588	17 750	18 992	20 321
Other Operating Costs	10 488	11 222	12 008	12 848	13 748
TOTAL	44 309	27 810	30 819	31 840	34 069

The Capital costs indicated in the table above relate to the cost of designing and implementing Information System, establishment of support infrastructure for the Operating Licensing Function and the Fixed Assets. The Operating costs relate to staff establishment and change management, including recruiting, reskilling and redeployment costs, as well as the costs associated with communications. The costs summarized above are indicative and will need to be updated once the Minister has given in-principle approval for the assignment to take place. The arrangements for the intergovernmental transfers to cover these costs will be negotiated between the City, National Treasury and Department of Transport, Financial and Fiscal Commission, and Department of Local Government and Traditional Affairs.

MOTION TO AMEND

In terms of Rule of Order Bylaw 20(4), Councillor WJ Burne, seconded by Councillor Y Govender, moved as a procedural motion that the above recommendations of the Executive Committee be amended in 4.4 thereof by the deletion of the words “from time to time” and by the substitution therefor of the words “every three months” to read as follows:

“4.4 That the City Manager give progress reports to Council on the matter every three months.”

NOT CARRIED

As not all Councillors were in agreement with the above-mentioned motion to amend and with legal clarity having been provided that the recommendation, as is, was legally competent by not stating a time limit, the matter was put to a vote.

With 168 Councillors present, 71 Councillors (DA – 55, IFP – 6, EFF – 6, ACDP – 1, MF – 1, MOSA – 1 and APC - 1) voted in favour and 97 Councillors (ANC – 90, IND – 3, AIC – 2, DLC – 1 and AL JAMA-AH - 1) voted against. There were no abstentions recorded.

The above mentioned Motion to Amend was, by the majority vote, NOT CARRIED.

Consideration thereafter reverted to the substantive motion whereafter the above recommendations of the Executive Committee were ADOPTED.

5. **STRATEGY LED CAPITAL BUDGET PROCESS 2020/21 TO 2022/23 (MTREF)
POPULATING THE IDP – BUDGET MODEL (2/1/6/1)**

(Page 231)

A commitment was made to adhere to applicable budget processes as informed by legislative requirements. For effective oversight, a request was made that Council Portfolio Committees should receive monthly cashflow and expenditure reports.

Whilst noting that opportunity would still be available to critically analyze the entire budget once all formalities have been exhausted, the two (02) Members of the DA and one (01) Member of the IFP abstained on the matter at this stage.

With the majority supporting for the process to proceed,

COMMITTEE RECOMMENDS:

That the high level proposed capital budget of eThekweni Municipality for 2020/21 and the indicative budgets for the 2021/22 and 2022/23 financial years, contained in the table below, be approved in principle, and be subject to further consideration during the budget and consultative process.

Details	Approved Budget 2019/2020 R'000	Proposed Budget 2020/2021 R'000	Proposed Budget 2021/2022 R'000	Proposed Budget 2022/2023 R'000
Total Proposed Capital Budget	7,749,564	7,932,890	7,591,191	7,211,631
Funded as follows:				
Grant Funding	3,494,707	3,683,338	4,002,340	4,202,457
Internal funding	2,754,857	3,249,552	2,588,851	2,009,174
Borrowings	1,500,000	1,000,000	1,000,000	1,000,000
TOTAL	7,749,564	7,932,890	7,591,191	7,211,631

As some Councillors were not in support of the above recommendations of the Executive Committee the matter was put to the vote. With 173 Councillors present, 104 Councillors (ANC – 92, IFP – 6, IND – 3, MOSA – 1, APC – 1 and AL JAMA-AH - 1) voted in favour and 2 Councillors (MF – 1 and DLC – 1) voted against. 67 Councillors (DA – 56, EFF – 8, AIC – 2 and ACDP - 1) abstained from voting.

The above recommendation of the Executive Committee was, by the majority vote, ADOPTED.

6. AMENDMENT TO CONTRACT NO. 1Q – 35239: AERIAL SURVEY TO PROVIDE HIGH RESOLUTION AERIAL IMAGERY AND ORTHOPHOTOS FOR 36 MONTHS (10/2/2)

(Page 235)

The Committee noted explanation given that extending the contract is cost-effective rather than restarting a competitive bidding process which would double the costs. Confirmation was given that transparency would be exercised since public engagement would form part of the extension process.

COMMITTEE RECOMMENDS:

- 6.1 That Council notes the reason to extend Contract number 1Q-35239 for the Aerial Survey to provide high resolution aerial imagery and orthophotos for a period of thirty six (36) months, which relates to the importance to include LiDAR survey in the 2020 Aerial survey to improve 2016 LiDAR data which is outdated due to rapid changes that occur on the ground and thus a need to update LiDAR data and, that a saving of approximately of R1 800 000.00 (One Million Eight Hundred Thousand Rand) will be realized with an extra benefit of improved quality in the Aerial imagery.
- 6.2 That subject to .1 above, public notices be advertised in the relevant print media requesting comments and/or objections to the proposed amendments of Contract 1Q-35239, in line with the requirements of Section 116(3) of the Municipal Finance Management Act (MFMA).

Financial Implications:

The contract price for IQ-35239 was R1 955 100.00 (including VAT) for the first 12 months, and thereafter it is to be adjusted annually using the CPI per (KwaZulu-Natal) as specified on Table A (Consumer Price Index: Main indices) of Statistical Releases P0141 published by Statistics South Africa. The total contract value is about R5 315 831.88. With the addition of 31% of the LiDAR survey the total contract value is estimated at R6 988 177.39 (excluding VAT).

The amount of R5 315 831.88 has been approved on the following vote numbers:

BU	Item	Funding	Costing	Project	Region	Year	Approved Contract
30101	11310	12120	0000	MRC01	0010	2018/2019	R1 700 086.96 (excl. VAT)
30101	11310	12120	0000	MRC01	0010	2019/2020	R1 768 090.43 (excl. VAT)
30101	11310	12120	0000	MRC01	0010	2020/2021	R1 847 654.49 (excl. VAT)

An additional amount of R1 672 345.51 (excluding VAT) is to be provided from the following

BU	Item	Funding	Costing	Project	Region	Year	Provision	Additional Contract Authority
30101	11310	12120	0000	MRC01	0010	2020/2021	R6 206 810.00	R1 672 345.51 (excl. VAT)

FC No.: 2021/25/01

Some Councillors contended that the reasons for the extension of the above-mentioned contract were not adequate and therefore were not in support of the recommendations of the Executive Committee. The matter was therefore put to a vote. With 176 Councillors present, 165 Councillors (ANC – 96, DA – 55, IFP – 6, IND – 3, ACDP – 1, MF – 1, MOSA – 1, APC – 1 and AL JAMA-AH – 1) voted in favour and no Councillors voted against. 11 Councillors (EFF – 8, AIC – 2 and DLC – 1) abstained from voting.

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

7. COMMEMORATION OF 2019 WORLD AIDS DAY (12/9/4)

(Page 243)

The eThekweni Municipality is hosting the Commemoration of the 2019 World AIDS Day in partnership with the KwaZulu-Natal Provincial Government. Due to space constraints in the Nasareth community hall originally identified as the venue, the event has been relocated to the sportsfield to accommodate an estimated number of two thousand (2 000) participants, and set up for counseling and testing facility.

Having clarified budget implications,

COMMITTEE RECOMMENDS:

- 7.1 That Council approves the Commemoration of the 2019 World AIDS Day under the theme “communities make the difference” with the event to take place in a marquee to be erected in Ward 16 Nasareth, and aimed at uniting with the KwaZulu-Natal Provincial Government in the fight against HIV and AIDS and related drivers, such as gender-based violence.
- 7.2 That, subject to the approval of .1 above, authority be granted for the Head: Mayoral Parlour to incur expenditure in the estimated amount of R372 500.00 (Three Hundred and Seventy Two Thousand Five Hundred Rand), as part of eThekweni Municipality’s contribution towards the commemoration event and to cover items listed in the table below.

No.	Details	Amount	Vote Number
1.	1500 Seater Marquee with 10 Tables, 1500 Chairs, 2 Stages, podium.	R130 000.00	32601.18950.10.12120.32100-2.0000.0010
2.	200 Seater Marquee, 200 Chairs and 20 Tables	R25 000.00	32601.18950.10.12120.32100-2.0000.0010
3.	Professional Sound, Screens and Projector	R60 000.00	32601.11350.12120.32100-2.0000.0010
4.	200 VIP Catering	R30 000.00	32601.11400.12120.32100-2.0000.0010
5.	x15 Ordinary Toilet, x2 toilets for disables, xVIP	R35 000.00	32601.10670.11.12120.32100-2.0000.0010
6.	x5 Buses	R17 500.00	32601.21805.12120.32100-2.0000.0010
7.	100 Marshals @ R200.00 each and 600 metres Speed Fencing @ R25 000.00	R45 000.00	32601.10840.10.12120.32100-2.0000.0010
8.	Entertainment/ Artist	R30 000.00	32601.11330.12120.32100-2.0000.0010
	ESTIMATED TOTAL	R372 500.00	

FC No.: 2020/08/27

ADOPTED.

8. DRAFT INTEGRATED DEVELOPMENT PLAN 2020/21: CHAPTERS 1 AND 2 (2/1/6/1)

(Page 246)

In line with the legislative requirement, the 5-year Integrated Development Plan (IDP) is reviewed on an annual basis. In view of the IDP document being voluminous, the leadership previously took a decision that the document be submitted in Chapters to enable them to make a meaningful contribution in deliberating thereon. As such, Chapters 1 and 2 of the IDP document relating to Situational Analysis and Strategic Context respectively, have been submitted for consideration.

During deliberation, a broader Councillor workshop was recommended to unpack the IDP process with a view to achieving the necessary sequence and alignment in terms of getting the Community Based-Planning (CBP) informing the IDP and linking with the budget process and other Municipal programs.

Also, incorporating in the IDP the aspect of prioritization where Wards in close proximity to each other share facilities and release funds to focus on other service delivery needs. The attention was also drawn to the importance of the IDP excluding items which fall under the jurisdiction of the provincial government.

Taking cognizance of the fact that the IDP should be informed by the needs of the local communities, it was agreed that the workshop referred to be conducted prior to taking the IDP for public consultation process thereby ensuring compilation of informative document from the Municipality perspective.

On this basis, and with the two (02) Members of the DA abstaining and the other Executive Committee Members being in support,

COMMITTEE RECOMMENDS:

That Council notes the first draft of Chapters 1 and 2 of the Integrated Development Plan 2020/21 relating to Situational Analysis and Strategic Context, details of which

are contained in the report by the City Manager dated 2019-11-15, compiled in line with the requirements of the Local Government: Municipal Systems Act, No. 32 of 2000, and released for engagement with Municipal leadership, and with the final draft incorporating other Chapters to be issued for public comment in March/April 2020.

NOTED.

9. PROGRESS REPORT ON DISCIPLINARY CASES BACKLOG (4/7/1)

(Page 612)

It will be recalled that Council approved the Action Plan developed by the Project Team established to clear backlog on disciplinary cases. Progress has been made since the approval of the plan on 31 October 2019 and cases have been categorised into formal and informal hearings depending on the severity of the case and in line with the provisions of the Disciplinary Procedure Collective Agreement.

Notwithstanding progress, it was learned that some of the cases have been long outstanding. That explanation be given to the Executive Committee on the rationale behind the delays without giving specifics of the case so as not to compromise justice. The importance of strengthening oversight on this matter was emphasized and that specialists service be engaged where required to fastrack finalization of cases.

Accordingly,

COMMITTEE RECOMMENDS:

That Council notes progress made by the Project Team to implement the Council-approved Project Plan to clear backlog on disciplinary cases, as listed in the table below:

Backlog Cases Category	Backlog as at 31 October 2019	Resolved as at 28 November 2019	Still to be Resolved
Formal Hearing	236	24	212
Informal Hearing	100	12	88
Total	336	36	300

NOTED.

10. PROPOSED RELOCATION OF GALE STREET MORTUARY (30/2/6/R)

(Presentation by KwaZulu-Natal Department of Health)

The Provincial Department of Health presented on the proposed closure and relocation of Gale Street Mortuary. Clarity was provided that notwithstanding the fact that the issue of mortuary is not the competency of the Municipality, consultation is critical in view of the impact to the residents of eThekweni.

The attention was then drawn to the fact that the Gale Street Mortuary is the largest in KZN and accommodates more than 2 500 bodies. That the Mortuary also serves as a training facility for Forensic Pathology in KZN. Currently, the Mortuary suffers aging infrastructure given that it was built approximately over 20 years ago. Its operations now contravene a number of legislations, including Occupational Health and Safety Act,1993; Environmental Conservation Act,1989; Foodstuff, Cosmetics and Disinfectant Act, 1972, amongst others.

Some of the challenges encountered with the Gale Street Mortuary have been highlighted as follows:

- (i) Constant smell and exposure to bodies by the surrounding premises.
- (ii) Operation of big refrigerators 24 hrs a day and 365 days which amounts to a year, use of extractor fans to release unpleasant odour from inside the facility thus polluting the air.
- (iii) Constant clogging of drainage system at Gale Street as a result of human tissue left over after autopsies.
- (iv) Non-compliance with the Environmental Impact Assessment since the relevant regulations were promulgated long after Gale Street Mortuary has been built.
- (v) Constant problem of fly and rat infestation.
- (vi) The Mortuary handles an average of 120-200 unclaimed bodies per annum which some are stored an average of 8 months. With the constant breakdown of equipment, the smell can be unbearable.
- (vii) Old and dilapidated infrastructure is not coping with the constantly increasing number of autopsies conducted, constant breakdown of extremely expensive equipment and because of their age it is becoming difficult to find spares for repairs.

In view of the challenges, it is proposed to close the entire Forensic Pathology Services (FPS) and be relocated to other FPS within eThekweni and uGu District. The Gale Street Mortuary is to be relocated to the Phoenix Mortuary. A Task Team will be established to consider due diligence for the relocation including broader stakeholder consultation and review of magisterial boundaries for residents to locate the Mortuary closest to them.

Whilst the rationale for proposing to relocate the Gale Street Mortuary is understandable, it saddened the Committee to lose a facility central to most parts of the eThekweni Municipal areas. Amongst the views presented, it was recommended to effectively handle the communication aspects to ensure dissemination of information and minimize inconvenience to the Mortuary users. That, where practical, options be still explored to establish another Mortuary to be conveniently located to serve the residents of eThekweni. Also, that consideration be given to implementing change management to proactively deal with labour issues as a result of the relocation of the workplace.

In view of the foregoing,

COMMITTEE RECOMMENDS:

- 10.1 That Council notes challenges surrounding the operations in the Gale Street Mortuary, as presented by the KwaZulu-Natal Department of Health, and thus posing a health risk to the neighbouring residents and premises as a result of aging infrastructure in the Mortuary and non-compliance with applicable legislations, such as Occupational Health and Safety Act, 1993; Environmental Conservation Act, 1989; Foodstuff, Cosmetics and Disinfectant Act, 1972.
- 10.2 That, to address a number of challenges highlighted, Council notes the intention of the KZN Department of Health to commence with the closure of Gale Street Mortuary in eThekweni District for relocation to Phoenix Mortuary, with the process being anticipated to be completed by 30 March 2020.
- 10.3 That Council notes the proposed closure will be handled in an objective and transparent manner given broader key stakeholder consultation being undertaken by the KZN Department of Health and the intention to establish a Multi-Disciplinary Task Team to take into consideration various aspects relating to the proposed relocation of the Gale Street Mortuary.

NOTED.

(His Worship the Mayor, Councillor TM Kaunda, presented the Second Report of the Executive Committee).

SECOND REPORT OF THE EXECUTIVE COMMITTEE

(Meeting held 2019-12-10)

PRESENT : Executive Committee Members TM Kaunda (Mayor and Chairperson), BF Scott (Deputy Mayor), Y Govender, NL Graham, SA Kaunda, TM Mthethwa, MS Nkosi, T Sabelo, N Sibiya and NI Sithole.

1. REPORT OF HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE: MEETING HELD ON 2019-11-28

(Page R1)

1.1 Request for Authority to Bring Forward Projects (R500 000) from 2021/2022 Financial Year to 2019/2020 Financial Year: Sidewalk on Burlington Road in Shallcross Ward 65 (P13146) Sidewalk on Carrick Road in Malvern Ward 65 (P13153):

(Page 47 : Human Settlements and Infrastructure Committee - Agenda 2019-11-28)

The Committee was advised that the report was to provide motivation for authority to bring forward projects from the 2012/2022 financial year to the 2019/2020 financial year. In the approved MTREF Capital for the 2019/2020 financial year, Council

authorised the expenditure in the amount of R1 620 000.00 (One Million Six Hundred and Twenty Thousand Rand) (P10842) for the Construction of Sidewalk along Solomon Mahlangu Drive in Ward 65. However, as part of the future widening of Solomon Mahlangu Drive, these sidewalks will be constructed under the contract for the widening of Solomon Mahlangu Drive (N2 till Titren Road) Phases 1 and 2 therefore cannot be constructed separately.

In order to accelerate service delivery, it is recommended that the above two sidewalks projects, being public transport collector routes, be brought forward from the 2021/2022 financial year into the 2019/2020 financial year and be constructed utilising the funds were allocated for the construction of sidewalk along Solomon Mahlangu Drive. A total of adjustment of R1 550 000.00 (One Million Five Hundred and Fifty Thousand Rand) will be reported on in the December 2019 Adjustment Budget.

COMMITTEE RECOMMENDS:

That the construction of Sidewalks along Burlington Road in Shallcross of Ward 65 (P13146) and the Construction of Sidewalk along Carrick Road in Malvern of Ward 65 (P13153), be brought forward from the 2021/2020 financial year into the 2019/2020 financial year for construction.

BUDGET PROVISION AND FC NUMBER:

Financial Year	BU	Item	Funding	Costing	Project	Region	Amount	Comments
2019/2020	49400	45130	12120	0000	P13146	W065	R1 000 000	Savings to be provided via adjustment budget 2019/2020
2019/2020	49400	45130	12120	0000	P13153	W065	R 550 000	Savings to be provided via adjustment budget 2019/2020

FC No.: 2020/49/C023

ADOPTED.

- 1.2 Request for Authority to Utilise Savings from P12019A for Construction of 106586 Street Ward 38 from Gravel to Surface Road (25/4/2):
(Page 49 : Human Settlements and Infrastructure Committee - Agenda 2019-11-28)

The Committee was advised that Project No. P12019A (121603 Street, Ward 57) has an allocated budget of R6 000.000.00 (Six Million Rand) in the 2019/2020 financial year. A saving of R400 000.00 (Four Hundred Thousand Rand) is anticipated from Project No. (P12019A) in the current financial year due to procurement delays. An amount of R400 000.00 (Excl. VAT) from the savings on Project No. P12019A will be utilised on Project No. 12020A (106586 Street, Ntuzuma, Ward 38) from gravel to surface road in the 2019/2020 financial year.

COMMITTEE RECOMMENDS:

- 1.2.1 That authority be granted for the Head: Engineering to utilise savings in the amount of R400 000.00 (Four Hundred Thousand Rand) identified from the Project No. P12019A (121603 Street, Ward 57) to be utilised to fund 1R-43467: Construction of 106586 Street, Ntuzuma, Ward 38 from gravel to surface in the 2019/2020 financial year.
- 1.2.2 That the savings of R400 000.00 will be regularised via the Mid-year Adjustment Budget (2019/2020) financial year.

ADOPTED.

- 1.3 Low Volume Gravel Roads Upgrade Programme (LVGRUP) (25/4/2):
(Page 51 : Human Settlements and Infrastructure Committee - Agenda 2019-11-28)

COMMITTEE RECOMMENDS:

- 1.3.1 That authority be granted for the Deputy City Manager: Human Settlements, Engineering and Transport to implement the Low Volume Gravel Roads Upgrade Programme (LVGRUP), a regravelling programme implemented by the eThekweni Municipality to maintain gravel roads in rural areas, as listed in in the report of the Head: Engineering dated 2019-09-25, in the next three (3) financial years as follows:

2018/2019	R80 113 000.00 (Eighty Million One Hundred and Thirteen Thousand Rand)
2020/2021	R67 000 000.00 (Sixty-Seven Million Rand)
2021/2022	R70 000 000.00 (Seventy Million Rand)

- 1.3.2 That authority be granted for the Head: Engineering to identify more roads to be included on the Low Volume Gravel Roads Upgrade Programme within eThekweni Municipality, it being recorded that in the previous three financial years a total of 156 km of gravel roads have been upgraded through this programme.

FC No.: 2020/148/2159

ADOPTED.

- 1.4 Request for Authority: Agreement with Tongaat Hulett Development for Conversion of 132 kV Overhead Transmission Line Between Cornubia Switching Station and Sunningdale Sealing End Site (27/1/3/2/8):
(Page 71 : Human Settlements and Infrastructure Committee - Agenda 2019-11-28)

COMMITTEE RECOMMENDS:

- 1.4.1 That authority be granted for the Acting Deputy City Manager: Trading Services, through the Electricity Unit, to enter into an agreement with Tongaat Hulett Development (THD) for the construction of the cable circuits, termination equipment and decommissioning of the Overhead Transmission Line (OHTL) between the Cornubia Switching Station and the Sunningdale Sealing End Site.

- 1.4.2 That subject to approval of .1 above, authority be granted for the Head: Electricity to incur the cost difference between the 100 MV and 200 MVA circuit estimated at R6 000 000.00 (Six Million Rand) to be made available in the 2019/2020 financial year and the transfer funds from savings identified from the Toyota 11KV Substation Switchgear project as contained in the report of the Head : Electricity dated 2019-07-02.

FC No.: 361/CA0171

ADOPTED.

- 1.5 Request for Authority to Transfer Funds from Project No. Y8782B – Catholic Protection to Project No. Y8838- Merebank, Southern WWTW - Installation of the Jacobs Line Flowmeter (23/1/11/2/1/2):
(Page 87 : Human Settlements and Infrastructure Committee - Agenda 2019-11-28)

COMMITTEE RECOMMENDS:

- 1.5.1 That the transfer of funds in the amount of R150 000.00 (One Hundred and Fifty Thousand Rand) (excl. VAT) from the block sum Project No. Y8782B – Catholic Protection to Project No. Y8838 to Project No. Y8838 – Merebank, Southern WWTW - installation of the Jacobs Line Flowmeter as part of licence requirements in the 2019/2020 financial year, be approved.
- 1.5.2 That authority be granted for the Deputy City Manager: Finance to include in his adjustments budget report the transfer of R150 000.00 (excl. VAT) from the Block Sum Item, Y8782B – Catholic Protection to Project No. Y8838 – Merebank, Southern WWTW – Installation of the Jacobs Line Flowmeter in the 2019/2020 financial year.

Project No: Y8838 R150 000.00 (excl. VAT) (To be met by transfer from the Block Sum Item, Y8782B – Catholic Protection in the 2019/2020 financial year Capital Budget).

ADOPTED.

2. REPORT OF ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE: MEETING HELD ON 2019-11-28

(Page R4)

- 2.1 Progress Update : New Approach to Informal Settlement Upgrading in eThekweni Municipality (22/6/2):
(Page 1 : Economic Development and Planning Committee - Agenda 2019-11-28)

In addition to keeping the Committee abreast of progress made and to gain support for the new approach to informal settlements within the eThekweni Municipality, as well as the Incremental Services Programme, authority is being sought for upgrade plans for informal settlements identified as part of the Upgrading of Informal Settlement Programme (UISP) component of the Urban Settlements Development Grant (USDG), and a requirement for the allocation of funding by the National Department of Human Settlements (NDHS).

Having noted that is in keeping with Plan 3 of the Integrated Development Plan (IDP), which is aimed at creating a quality living environment, it was accordingly:

COMMITTEE RECOMMENDS:

- 2.1.1 That the upgrading of plans for informal settlements identified as part of the Upgrading of Informal Settlements Programme (UISP) component of the Urban Settlements Development Grant (USDG), a new approach that seeks to foster a different and more functional relationship between the state and the urban poor which leverages the partnerships necessary for more effective social capital formation, be approved.

- 2.1.2 That the pipeline prioritisation criteria, which includes vulnerability; services deficit; population coverage, age of settlement, community readiness and location for informal settlement upgrading (including incremental services) projects, be accepted, it being recorded that a higher weighting will be applied to the services deficit criteria as opposed to the location criteria.
- 2.1.3 That an updated programme description for the incremental services programme, which will take into consideration the new approach to informal settlement upgrading, be developed.
- 2.1.4 That the Acting Head: Human Settlement in collaboration with the key infrastructure units, the Development Planning Environment and Management Unit, the Legal and Compliance Unit and any other relevant units, to investigate mechanisms to operationalise alternative tenure, land rights and incremental planning solutions for informal settlements (which would, amongst other things, address the issue of the provision of essential services on private land which has not yet been acquired, ensure SPLUMA compliance and provide greater functional tenure security to residents of informal settlements.
- 2.1.5 That Durban's Resilience Strategy: RBO 1: Collaborative Informal Settlement Action Provisional Implementation Plan 2019-2020 be supported as a starting point for action, acknowledging that this is a working document and subject to annual revisions where needed.
- 2.1.6 That the Informal Settlement Upgrading Strategic Forum be tasked with investigating solutions to secure additional resources in order to improve institutional and transversal coordination including the possible establishment of a dedicated structure to support collaborative informal settlement action.
- 2.1.7 That upgrading plans for the list of informal settlements for 2019/2020 including a preliminary list proposed for 2020/21 (as listed in Annexure A of the report by the City Manager dated 2019-10-08), as part of a requirement by the National Programme (UISP) component of the Urban Settlement Development Grant (USDG) window period, be approved in order for funding to be allocated for the various incremental service projects earmarked. It is noted that this process does not exclude the identification of additional projects to be considered under the USDG where savings are identified for 2019/2020.
- 2.1.8 The Informal Settlement Upgrading Strategic Forum be tasked with establishing and/or improving the necessary Supply Chain Management processes (such as panels, but not confined to these) that will result in more efficient and effective appointment of service providers and contractors in order to fast track the delivery of incremental services and to ensure the necessary funding allocated to such projects are spent within the stipulated timeframes.
- 2.1.9 That all actions taken as part of the new approach to informal settlement upgrading will take climate change into consideration and will ensure alignment with the Durban Climate Change Strategy and the Climate Action Plan.
NB. This matter was also considered by the Human Settlements and Infrastructure Committee meeting.

ADOPTED.

- 2.2 Request to Enter into Partnership with KwaZulu-Natal Agribusiness Development Agency (ADA) for the Establishment of KwaZulu-Natal Women in Agroprocessing for Export Programme (KWAEP) (20/1/6/1 & 20/1/7/5):
(Page 31 : Economic Development and Planning Committee - Agenda 2019-11-28)

Authority is being sought for the support and establishment of the KZN Woman in Agroprocessing for Export Programme, in partnership with the KZN Agribusiness Development Agency, and to endorse a private treaty lease for 5 years for the effective establishment and implementation of the KZN Women in Agroprocessing for Export Programme which is in keeping with Plan 2 of the Integrated Development Plan, which aims at job creation and ensuring that overall improvement of economic and social goals are implemented.

At the Executive Committee meeting, it was confirmed that with the exception of a lease agreement there was no financial implications hereon.

In the circumstances,

COMMITTEE RECOMMENDS:

- 2.2.1 That authority be granted for the City Manager to negotiate and enter into a Memorandum of Agreement with KwaZulu-Natal Agribusiness Development Agency (ADA) for the establishment of KZN Women in Agroprocessing for Export Programme (KWAEP), a programme that aims to develop five (5) businesses owned and managed by women from the Previously Disadvantaged Background Designation with the intention of facilitating access to the export market within three (3) years of their participation.
- 2.2.2 That subject to approval of .1 above, the Deputy City Manager: Economic Development and Planning through the Business Support, Markets and Tourism Unit and the KZN Agribusiness Development Agency develop an operator agreement for 2000m² business accommodation space available at 81 Flower Road, Clairwood Fresh Produce Bulk Market designated Agri-park Incubator.
- 2.2.3 That subject to .1 and .2 above, it be declared that the 2000m² of the property is not needed for the provision of basic municipal services and that it is surplus to the municipality.
- 2.2.4 That subject to approval of .3 above that further authority be granted in terms of Regulation 20 (1)(f) of the Municipal Asset Transfer Regulations of the MFMA, 2003 for Head Real Estate to negotiate and conclude a five year private treaty lease agreement at nominal value with ADA to access and develop the designated space at the Clairwood Fresh Produce Bulk Market to be ready to perform commercial services.

ADOPTED.

- 2.3 Request for Authority to Enter into Partnership with Brand South Africa (20/1/7/1):
(Page 47 : Economic Development and Planning Committee - Agenda 2019-11-28)

Authority is being sought for the establishment of a long term partnership with Brand South Africa, a key driver in the global space, with the aim of enhancing tourism, foreign direct investment, creating new jobs, developing skills stimulating value chains and ensuring economic transformation Establishing a long term relationship

with Brand South African would make it more beneficial to establish direct collaboration with the other key role players in the Investment Sector and at National Government, which will assist in promoting Durban as a preferred investment and tourism destination.

In view of the foregoing,

COMMITTEE RECOMMENDS:

- 2.3.1 That authority be granted for the Deputy City Manager for Economic Development and Planning to negotiate, expedite and establish a long-term partnership with Brand South Africa, an organisation with instant brand recognition and a wide breadth of expertise and experience in the development and articulation of the South African Nation Brand identity, to facilitate sustainable investment in the eThekweni Municipality and promote tourism to be a lucrative contributor to the local economy.
- 2.3.2 That subject to approval of .1 above, authority be granted for the City Manager to enter into a Memorandum of Understanding with Brand South Africa.

ADOPTED.

- 2.4 Innovate Durban - Memorandum of Incorporation Amendment (20/1/7/3):
(Page 56 : Economic Development and Planning Committee - Agenda 2019-11-28)

Authority is being sought to amend the Memorandum of Incorporation of Innovate Durban NPC which serves as a guiding document for the entity to ensure that all legal and governance issues are adhered to by the organisation.

Innovate Durban was set up with the aim of stimulating innovation and growth of the innovation ecosystem in Durban, with 4 strategic objectives viz. create, collaborate, connect and celebrate. The eThekweni Municipality sits on the Board established to oversee the governance and strategic objectives of the organisation.

In view of the foregoing,

COMMITTEE RECOMMENDS:

- 2.4.1 That the proposed amendment to the Innovate Durban NPC Memorandum of Incorporation, which will allow for the Board of Directors to objectively oversee all governance matters of the entity thereby ensuring that the company can operate independently with the continued support of the eThekweni Municipality, be approved.
- 2.4.2 That subject to .1 above, authority be granted for the City Manager to sign any documentation to give effect to the amendment of the Memorandum of Incorporation of Innovate Durban NPC, it being recorded that the eThekweni Municipality also has a Memorandum of Agreement in place which details the business plan and sets out the terms and conditions of the financial support that the Municipality provides as well as the reporting and compliance requirements thereof.

ADOPTED.

2.5 Request for Reprioritization of Economic Development and Planning Cluster's Neighborhood Development Partnership Grant (7/4/2) (21/5/1):
(Page 73 : Economic Development and Planning Committee - Agenda 2019-11-28)

Approval is being sought for the reprioritization of capital budget funds in order to meet the Neighbourhood Development Partnership Grant (NDPG) contractual obligations of approved and implementable projects, allocate funds to new projects which have progressed during the 2019/2020 financial year, and distribute additional allocation from the NDPG, in line with envisaged expenditure as per project cash flows submitted and approved by National Treasury.

In terms of the Division of Revenue Act, eThekweni Municipality has been allocated an amount of R74 000 000 (Seventy Four Million Rand) in funding from the Grant, which needs to be allocated based on the revised project cash flows.

The grant is to support and facilitate the planning and development of neighbourhood development projects in township areas. The Neighbourhood Development Partnership office has developed the Urban Network Strategy, which seeks to concentrate development in one hub investment node. The 3 urban hubs include the South Urban Hub (Umlazi Township), North Urban Hub (Bridge City) and the West Urban Hub (Mpumalanga).

It was accordingly

COMMITTEE RECOMMENDS:

That the prioritisation of funds in the amount of R74 000 000.00 (Seventy Four Million Rand) in order to meet the contractual obligations and the proposed allocation of funds to current projects during the 2019/2020 Financial year adjustment budget, be approved.

ADOPTED.

2.6 Request for Authority: Implementation of the SMRT.BIO Project (20/1/7/4):
(Page 83 : Economic Development and Planning Committee - Agenda 2019-11-28)

Authority is being sought for eThekweni Municipality to support the implementation of the Smrt.bio project over a period of 3 years, for the City Manager to enter into a 3 year Memorandum of Agreement with Smrt.bio Durban for the implementation of the project, and for the Head: Economic Development and Planning to transfer funds to Smrt.bio Durban in terms of Section 67 of the Municipal Finance Management Act.

The project proposes to implement a Smrt.bio Support Desk, run a community based entrepreneurship and Innovation programme, training and recruiting, streamlining the production of skills development plans in line with industry requirements, and run detailed reports on the Durban labour market at community and sector level, all of which is in line with Plan 2 of the Integrated Development Plan (IDP).

It was accordingly

COMMITTEE RECOMMENDS:

2.6.1 That authority be granted for the Deputy City Manager: Economic Development and Planning, through the Economic Development and Investment Promotion Unit, to

implement the Smrt.bio Project, a strategy that seeks to contribute to the City's priorities related to Radical Economic Transformation, Youth Employment, Enterprise Development and Township Development and Innovation for a period of three years until September 2022.

2.6.2 That subject to .1 above, the City Manager be authorised to enter into a three-year Memorandum of Agreement (MOA) with QHLX org trading as Smrt.bio Durban for the implementation of the Smrt.bio project which will include the Smrt.bio Support Desk, a community based entrepreneurship and innovation programme and additional services such as the training and coaching of job seekers within the eThekweni Municipality.

2.6.3 That subject to .1 and .2 above, the Head: Economic Development Unit be authorised to disburse funds to the amount of R1 500 000.00 (One Million Five Hundred Thousand Rand) (Including VAT) to Smrt.bio Durban over a 3 year period; R500 000.00 (Five Hundred Thousand Rand) in the 2019/2020 financial year, R500 000.00 (Five Hundred Thousand Rand) in the 2020/2021 financial year and R500 000.00 (Five Hundred Thousand Rand) in the 2021/2022 financial year in terms of Section 67 of the Municipal Finance Management Act.

Financial Year	BU	Item	Funding	Costing	Project	Region	To be provided (Incl. VAT)
2019/20	26101	25030.17	12120	0000	38876	0010	R500 000.00
2020/21	26101	25030.17	12120	0000	38876	0010	R500 000.00
2021/22	26101	25030.17	12120	0000	38876	0010	R500 000.00

FC No.:2020/18/39

ADOPTED.

2.7 Request for Support: Bio Durban - Biotechnology Incubator (Strat-up Acceleration) (20/1/6/1):
(Page 87 : Economic Development and Planning Committee - Agenda 2019-11-28)

Authority is being sought for eThekweni Municipality to support the Biotechnology Incubator in Durban by financially contributing, through transfer of funds in line with Section 67 of the Municipal Finance Management Act, towards the bio acceleration programme, by entering into a three year Memorandum of Agreement in partnership with the University of KwaZulu-Natal, Nelson Mandela School of Medicine for their Centre of Excellence KwaZulu-Natal Research and Sequencing Platform (KRISP).

This will assist in the outcome of research resulting in a multi-transdisciplinary knowledge that can address social, economic, cultural and environmental challenges facing local communities, and the country by creating intellectual capital in the form of commercialized products, patents, license, and creation of technology-based companies.

Having noted the foregoing,

COMMITTEE RECOMMENDS:

2.7.1 That authority be granted for the Deputy City Manager: Economic Development and Planning through the Economic Development Unit to support the Bio

Durban - Biotechnology Incubator in Durban (Strat-up Acceleration) which aims to foster transformation and promote bio-medical research by previously disadvantaged students and entrepreneurs and use the platform to respond to health challenges in rural and underprivileged communities.

- 2.7.2 That funding for the University of Kwazulu-Natal’s KRISP programme for the biotechnology incubator start-up acceleration to the value of R4 500 000.00 (Four Million Five Hundred Thousand Rand) over a three year period ending December 2022 be approved it being recorded that this funding will be utilised to fund four (4) bio-medical acceleration projects which will be selected by open competition moderated by senior professors at UKZN, KRISP, Stanford University and eThekweni Municipality representatives.
- 2.7.3 That subject to the approval of .1 above, the City Manager be authorised to conclude a memorandum of Agreement (MoA) with the University of KwaZulu Natal to give effect to .1 above.
- 2.7.4 That subject to approval of .1 and .2 above, the Head: Economic Development and Planning Unit be authorised in terms of Section 67 of the MFMA and in accordance with the MoA listed in .2 to disburse funds to the UKZN’s KRISP programme, to the amount of R4 500 000.00 (Four Million Five Hundred Thousand Rand) over a 3 year period the breakdown of which is R1 500 000.00 (One Million Five Hundred Thousand Rand) in (2019/2020, R1 500 000 (One Million Five Hundred Thousand Rand)in (2020/21) and R1 500 000.00 (One Million Five Hundred Thousand Rand) in (2021/22)
- 2.7.5 That the Head: Economic Development report on progress and learnings of the start-up acceleration programme and traction of the Biotechnology Incubator in Durban to Committee after one year

Financial Year	Amount	Vote Number
2019/2020	R1 500 000.00	26101.25030.17.12120.0000.38760.0010
2020/2021	R1 500 000.00	26101.25030.17.12120.0000.38760.0010
2021/2022	R1 500 000.00	26101.25030.17.12120.0000.38760.0010

FC No.: 2020/18/38

ADOPTED.

- 2.8 Request for Approval: Durban Business Confidence Index Project Partnership with the University of KwaZulu-Natal (20/1/7/4):
(Page 94 : Economic Development and Planning Committee - Agenda 2019-11-28)

Approval is being sought for eThekweni Municipality to enter into a partnership with the University of KwaZulu-Natal and the Durban Chamber of Commerce and Industry in respect of the Durban Confidence Index. The project, for which funds have been dispersed to the Durban Chamber of Commerce and Industry, under the current Memorandum of Agreement, is a partnership by the parties alluded to.

The Durban Business Confidence Index will serve as a barometer to measure business and investor sentiment and would have wide ranging uses. It would be applicable to many implementing departments, as well as industry players, with the University of KwaZulu-Natal having been identified as an institutional partner in delivering the technical elements of developing the Index.

Having noted the foregoing,

COMMITTEE RECOMMENDS:

- 2.8.1 That a partnership between the eThekweni Municipality, the University of KwaZulu-Natal and the Durban Chamber of Commerce and Industry, be approved, in an effort to develop the Durban Business Confidence Index, a barometer to measure business and investor sentiment.
- 2.8.2 That subject to the approval of .1 above, the City Manager be duly authorised to conclude a Memorandum of Agreement with the Durban Chamber of Commerce and Industry and the University of KwaZulu-Natal to give effect to .1 above.

ADOPTED.

- 2.9 Reprioritisation of the Economic Development and Planning Cluster's Capital Budget (7/1/2/2):
(Page 126 : Economic Development and Planning Committee – Supplementary Agenda 2019-11-28)

Authority is being sought to reprioritize capital budget funds to meet contractual obligations and allocation of funds to new projects during the 2019/2020 financial year.

An assessment of the progress of projects in the capital budget, within the Economic Development and Planning cluster was undertaken in order to determine the expected expenditure on each of the projects approved in the 2019/2020 Capital Budget, and savings amounting to R24 850 000.00 (Twenty Four Million, Eight Hundred and Fifty Thousand Rand) have been identified from a number of projects that are estimated to have less than budgeted expenditure.

Projects with contractual obligations from the previous financial year, to the value of R27 350 000.00 (Twenty Seven Million, Three Hundred and Fifty Thousand Rand) have also been identified. Furthermore, there are new projects which have been identified for reprioritization in the Capital Budget, estimated at R2 500 000.00 (Two Million Five Hundred Thousand Rand).

It was noted that the combined sum of projects with contractual obligations and new projects that require reprioritization, amounts to R29 850 00.00 (Twenty Nine Million Eight Hundred and Fifty Thousand Rand), which is equivalent to the identified savings,

In view of the foregoing,

COMMITTEE RECOMMENDS:

That the prioritisation of funds in the amount of R29 850 00.00 (Twenty Nine Million Eight Hundred and Fifty Thousand Rand) in order to meet the contractual obligations and the proposed allocation of funds to new projects during the 2019/2020 Financial year, be approved.

ADOPTED.

2.10 Township Economy: Mtshebheni Node Development (20/1/3/1)
(Page 130 : Economic Development and Planning Committee - Agenda 2019-11-28)

Authority is being sought to acquire a road servitude by private treaty or through expropriation, if necessary, over a portion of 179 (of 76) of the farm Piezang Revier No. 805 for a temporary road turning ahead.

Having considered all the technical aspects thereof, as outlined in the report by the City Manager dated 2019-11-01,

COMMITTEE RECOMMENDS:

2.10.1 That the Head: Real Estate be authorized to negotiate the acquisition of a road servitude by private treaty or through expropriation of a right-of-way servitude if necessary, over the portion 179 (of 76) of Farm Piezang River No.805 as depicted in the Hand Plan SJ 4784/5A;

2.10.2 That subject to the adoption of .1 above, the Head: Real Estate be authorized to sign the relevant agreements and all documents necessary to effect the acquisition of the said servitude right right to the eThekweni Municipality;

26101	45110	51080	0000	S1107Z1	W058	R51 000	2019/20
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FC No.:2020/18/CA41

ADOPTED.

2.11 Township Economy, KwaMnyandu Light Industrial Hub CSA 2831 Ward 87 Major Contract Adjustments (20/1/3/1)
(Page 135 : Economic Development and Planning Committee - Agenda 2019-11-28)

Authority is being sought to amend Contract CSA 2831 (Ward 87) in terms of Section 116 (3) of the Municipal Finance Management Act, for additional expenditure to be incurred, it being noted that the Head: Economic Development and Planning would be required to adjust the budget.

Subsequent to commencement of the project, several items needed to be included to the scope of works for the KwaMnyandu Light Industrial Hub. ie. piling, new storm water re-routing, additional retaining walls, addition to the Electrical budget and assed preliminary and General as a result of extension of time claimed, which had not been included in the initial scope of works, nor had it been priced for in the tender awarded.

Accordingly

COMMITTEE RECOMMENDS:

2.11.1 That the intention to amend Contract CSA2831, in terms of Section 116 (3) of the Municipal Financial Management Act for additional contract authority for Piling, External Plumbing and Drainange, Retaining Wall, Additional Electrical Budget, Extension Time late appointment/ Additional P&G, Mechanical Works, Three Phase Electrical Budget, Dewatering, Professional fees for additional works to include increased cost to the contract value, in the amount of R9 363 142.71 (Nine Million Three Hundred and Sixty Three Thousand One Hundred and Forty Two Rand and Seventy One Cents only), of Light Industrial SMME Hub project due to additional works as required by the Project, be noted.

2.11.2 That subject to adoption of 1 above, public notices be advertised in the relevant print media requesting comments and or objections to the proposed amendments to Contract No. CSA2831, in line with the requirements of Section 116(3) of the Municipal Finance Management Act.

2.11.3 That the transfer of funds from the Mpumalanga Transport and Traders Hub Upgrade to KwaMnyandu Light Industrial Hub be approved.

Project No.:CSA2831

R9 363 142.71

(Provided 2019/2020 Capital Budget)

ADOPTED.

2.12 Acquisition of Land for Environmental Protection Programme (17/2/1/1/2):
(Page 157 : Economic Development and Planning Committee - Agenda 2019-11-28)

During deliberation at the Executive Committee, there was a concern that the City was acquiring more land for environmental protection programme whereas there were no proper plans in place for its management thereof. Consequence management in terms illegal sand mining, security issues etc was lacking.

Thereafter, there was confirmation that safety and protection measures would be taken as climate change was compelling the City to be proactive to avoid challenges in future.

COMMITTEE RECOMMENDS:

2.12.1 The Committee approves the acquisition of selected environmentally sensitive properties as per the schedule below at values to be determined by Real Estates Department in order to effect capital expenditure.

PROPERTY DESCRIPTION	WARD NO
1. Rem of Portion 1 of Farm Kirkman No 915	7
2. Portions 201, 202 & 203 of Farm Stockville No. 1302	10
3. Portion 330 of the Farm Upper End of Lange Fontein No 980	9
4. Rem of Erf 3564 Cato Manor	30
5. Rem of Portion 226, 227 & 230 of Newlands	39
6. Rem of Portion 26 Zigzag No 9064	70
7. Portion 1276 of Erf 85 Chatsworth	70
8. Portion 1277 of Erf 85 Chatsworth	70
9. Portion 1278 of Erf 85 Chatsworth	70
10. Remainder of Erf 706 Kloof	19
11. Remainder of Erf 184 Crestview	9
12. Portion 3 of Erf 27 Winston Park	10
13. Remainder of Erf 39 Assagay	103
14. Portion 279 of Farm Upper End of Lange Fontein No 980	9
15. Portion 152 of Farm Stockville No 1302	10
16. Portion 3 of Erf 26 Winston Park	10

2.12.2 That the approval be valid for a period of three financial years from the date of approval to allow the Environmental Planning and Climate Protection Department to complete the acquisition of approved properties within those three years.

2.12.3 Subject to approval of .1 and .2 above, the Bid Adjudication Committee consider and adjudicate on the reports seeking to use Section 36(1)(a)(ii) of the Municipal Supply Chain Management Regulations.

Financial provisions have been made as follows:

VOTE: 26440.45341.52.51080.0000.S7001AZ1.0010	R1 000 000	(Provided 2019/2020)
26440.45341.52.12120.0000.S7001BZ1.0010	<u>R 490 000</u>	(Provided 2019/2020)
	R1 490 000	FC: 2020/46/33

2.12.4 Subject to the approval of .1 above, authority be granted for the Environmental Planning and Climate Protection Department to secure additional budget during the budget adjustment period, if necessary

2.12.5 Subject to approval of .1 and .2 above, authority be granted to the Head: Real Estate to acquire or where necessary expropriate the properties mentioned in the above schedule and to sign the relevant Sale and Donation Agreements; and all documents necessary to effect transfer to the eThekweni Municipality

ADOPTED.

3. **REPORT OF GOVERNANCE AND HUMAN RESOURCES COMMITTEE:
MEETING HELD ON 2019-11-28**

(Page R12)

3.1 **Request for Approval: Opening of Human Resources Computer Laboratory Centres
(Umnini and Alice Street) (10/2/1):**

(Page 83 : Governance and Human Resources Committee - Agenda 2019-11-27)

The Committee was advised that the Human Resources Computer Laboratory Centers will be opened to internal and external customers with a view to enhance access and create a stop hub for job applications to the youth of eThekweni Region, aiming to promote online job applications and to empower users on the usage and functionality of web recruitment. It was highlighted that these centres are not for eThekweni job applications but are open to the public to apply to any organisation of their choice as well as allowing students to apply online to tertiary institutions, bursaries and access online learning portals.

With the Committee having been advised that the dates would be altered due to the Mayoral Sukuma Sakhe programs that were being undertaken,

COMMITTEE RECOMMENDS:

3.1.1 That authority be granted for the Acting Deputy City Manager: Corporate and Human Resources to incur the expenditure in the amount of R80 000.00 (Eighty Thousand Rand) for the official opening of a Computer Lab at Umnini Human Resources Centre of Excellence and the SEDA (Alice Street) Human Resources of Excellence with a view to enhance access and create a stop hub for job applications to the youth of eThekweni Region.

- 3.1.2 That authority be granted for the Acting Deputy City Manager: Corporate and Human Resources to determine a new date of the official opening of the Umnini Computer Lab and SEDA (Alice Street) Computer Lab in consultation with the Chairperson of the Governance and Human Resources Committee and extend invitations to all stakeholders.
- 3.1.3 That it be noted that the Human Resources Computer Laboratory Centres at KwaDabeka and Hammersdale will be opened in the 2020/2021 financial year, while the remaining three, namely Bester, Clermont and Fredville will be promoted through Human Resources Unit, Community Participation and Action Support Unit and Communications Unit's Blitz sessions.
- 3.1.4 That it be noted that funds for this project will be provided in the current 2019/2020 financial year.

Vote Number.: 33163.11400.12120.0000.MR01.0010

ADOPTED.

- 3.2 Wards Delimitation - 2021 Local Elections (3/1/1/R):
(Page L44 : Governance and Human Resources Committee - Agenda 2019-11-27)

As part of the ward delimitation process in preparing for the 2021 local government elections, the Municipal Demarcation Board (MDB) will be convening public meetings to consult members of the public of eThekweni Municipality, one-day public meeting scheduled to take place on 2020-02-25 commencing at 09h00. The eThekweni Municipality is requested to make available a suitable venue where the MDB will be able to independently conduct the public meeting with the minimum requirements, projector white screen, data projector, electricity, accommodate between 150 and 200 people and accessible to members of the public.

COMMITTEE RECOMMENDS:

- 3.2.1 That authority be granted for the City Manager to engage and finalise the process with the Municipal Demarcation Board as part of the ward delimitation process in preparing for the 2021 Local Government Elections to provide assistance by making available a suitable venue where the MDB will be able to independently conduct the public meeting scheduled to take place on 2020-02-25 with minimum requirements, projector white screen, data projector, electricity, accommodate between 150 and 200 people and accessible to members of the public.
- 3.2.2 That authority be granted to the City Manager in ensuring that all the stakeholders and interested groups are invited to participate in this process in order to provide comments and inputs on the first set of draft wards and assist the MDB on how their wards should be configured.
- 3.2.3 That it be noted that there is no financial implication at this stage.

ADOPTED.

3.3

Sundry Grant-In-Aid Applications 2019/2020 (7/1/4/1):

(Page L46 : Governance and Human Resources Committee - Agenda 2019-11-27)

That the applications for Sundry Grant-In-Aid for the 2019/2020 financial year were received from a total of 362 Organisations within eThekweni Municipality. While the grant seeks to provide support to organization within all 110 wards, no applications were received from the following wards 23,33, 35, 39, 51,83, 89 and 93. A total of 126 organisations were shortlisted to undergo the verification phase before the final recommendation. A compulsory briefing session for the shortlisted organization took place on 2019-10-09 and out of 126 organisations shortlisted, 2 organisations were automatically disqualified from the final list of verification due to non-attendance and one (1) was found to no longer exist.

COMMITTEE RECOMMENDS:

3.3.1

That authority be granted for the Head: Community Participation and Action Support to incur expenditure in the amount of R4 797 000.00 (Four Million Seven Hundred and Ninety Seven Thousand Rand) for the implementation of 123 beneficiaries for the Sundry Grant-In-Aid award for 2019/2020 financial year as contained in the report of the Head : Community Participation and Action Support dated 2019-11-01.

3.3.2

That authority be granted for the Head: Community Participation and Action Support to incur expenditure in the amount of R480 000.00 (Four Hundred and Eighty Thousand Rand) for the logistics and distribution schedule, to cover the costs of sound, stationery and catering, subject to the confirmation of dates with Committee leadership.

Financial Implications:

No.	Details	Amount
1	Sundry Grants awarded to 123 organizations	R4 797 000.00
2	6 Distribution events within the 6 regions at a cost of R80 000 per event	R 480 000
	TOTAL	R5 277 000.00

Vote Numbers:

No .	Details	Bus Unit	Item	Fund	Coasting	Project	Region	Amount
1	Sundry Grant-In-Aid	32301	25030-17	12120	0000	38870	0010	R4 797 000.00
2	Catering	32301	11400	12120	0000	38870	0010	R 240 000.00
3	Hire of Sound	32301	11760	12120	0000	38870	0010	R 120 000.00
4	Artists and Performers	32301	11330	12120	0000	38870	0010	R 90 000.00
5	Gifts and Promotional Items	32301	16325	12120	0000	38870	0010	R 30 000.00
	TOTAL							R5 277 000.00

FC No.: 2020/06/29

ADOPTED.

3.4 Request for Capital Funds from Adjustment 2019/20 to Meet Urgent Priority Needs (17/2/2/2/1):
(Page L45 : Governance and Human Resources Committee - Agenda 2019-11-27)

The Committee was advised that the Sizakala Customer Service Unit requires Capital funds to remedy Occupational Health and Safety deviations as well as to meet other urgent priority needs. The Unit needs to undertake the short-term projects in order to improve service delivery and keep Sizakala building compliant with the Occupational Health and Safety requirements. That this will be achieved with the utilization of funds declared as savings from Record Repository Project of the City Administration Unit due to delays in finalizing the panel of consultants at Architecture.

With the Economic Freedom Fighters abstaining on the matter,

COMMITTEE RECOMMENDS:

That for the reasons highlighted in the report by the Head: Sizakala Customer Service dated 2019-11-01, the adjustment funding declared as savings from the Records Repository Project in the City Administration due to delays in finalizing the panel of consultants at Architecture, be approved.

Centre	Capital Item	Amount
Various	Furniture	R 200 000
	Computer equipment	R 250 000
	Plotter	R 250 000
Kingsburgh	Construction of CIT bay shortfall	R 400 000
Verulam	Air conditioners	R 350 000
Umhlanga	Air conditioners	R 150 000
	Grand Total	R1 600 000

FC No.: 2020/29/CA07

ADOPTED.

3.5 Request to Reprioritise Capital Funds to Meet Urgent Priority Needs (17/2/2/2/1):
(Page L47 : Governance and Human Resources Committee - Agenda 2019-11-27)

The Committee was advised that the technical report by the Architecture revealed that the Pinetown Lift Upgrade project will not be completed during the 2019/2020 financial year and that only R1 200 000.00 (One Million Two Hundred Thousand Rand) of R2 200 000.00 (Two Million Two Hundred Thousand) budget will be utilized during the year.

In view of the above, it is recommended that an amount of R1 000 000.00 (One Million Rand) from the Pinetown Lift Upgrade to be reallocated to fund the Kingsburgh Cash in Transit as this project commenced in the 2015/2016 financial year. Due to various delays in the Supply Chain Management processes at that stage the project did not materialize as planned. Furthermore, numerous delays were experience with the appointment of a structural engineer since at the time, Council did not have a panel of consultants to assist the process. This project which is a security requirement requires completion but there are no funds allocated to it in the

current financial year. The balance of R390 800.00 will be obtained from the adjustment budget.

With the Economic Freedom Fighters abstaining on the matter,

COMMITTEE RECOMMENDS:

- 3.5.1 That authority to transfer funds in the amount of R1 000 000.00 (One Million Rand) from the Pinetown Lift Upgrade to be reallocated to fund the Kingsburg Cash in Transit for the 2019/2020 financial year, be approved.
- 3.5.2 That subject to approval of .1 above, authority be granted for the Deputy City Manager: Finance to include the balance of R390 800.00 (Three Hundred and Ninety Thousand Eight Hundred Rand) in his adjustment budget to cover the cost to complete the project.

From Project	To Project	Amount
Pinetown Lift Upgrade	Kingsburgh Cash in Transit (CIT)	R1 000 000

FC No.: 2020/29/CA08

ADOPTED.

- 3.6 Naming of Streets in Ward 35 Covering Enigma Private Estate (25/4/15/1):
(Page L43 : Governance and Human Resources Committee - Agenda 2019-11-27)

COMMITTEE RECOMMENDS:

That the following proposed and reviewed name for the unnamed Street in Ward 35 covering Enigma Private Estate as contained in the report by the Head: Information Management Unit dated 2019-10-21 and as indicated on Plan STN 21/10/19 GC, be approved.

STREET CODE	PROPOSED NAME	REVIEWED NAME	MEANING
610924 Street	Enigma	ENIGMA BOULEVARD	Means a person or thing that is mysterious
610925 Street	Astral	ASTRAL CRESCENT	Relating to or resembling the stars
610926 Street	Saxony	SAXONY CRESCENT	A fine kind of wool
610927 Street	Ocean View	OCEAN VIEW CLOSE	In line of sight of a very large expanse of sea
610928 Street	Forest View	FOREST VIEW	In line of sight of an area covered with trees and undergrowth
610929 Street	Enigma	ENIGMA CLOSE	Means a person or thing that is mysterious

ADOPTED.

4. REPORT OF FINANCE, SECURITY AND EMERGENCY SERVICES
COMMITTEE: MEETING HELD ON 2019-11-21

(Page R17)

4.1 EThekweni Municipality Long Term Loans (7/3/1/1/2):
(Page 28 : Finance, Security and Emergency Services - Agenda 2019-11-21)

At the Support Committee level, some Councillors indicated that borrowing was not a solution and that the City needs to grow revenue stream by an expansion of its rates base.

During deliberations at the Executive Committee, Executive Committee Member MS Nkosi dissented on the matter.

With the majority being in support,

COMMITTEE RECOMMENDS:

That Council notes the report of the City Manager dated 2019-11-08, providing a summary of the Municipality's long-terms loans, including the original borrowed, term of loan, interest payable annually as well as the balance of each individual loan outstanding, thus giving assurance that the loans are being effectively managed within the applicable terms and conditions.

Some Councillors were not in support of the above recommendation of the Executive Committee contending that the City needed to increase its revenue stream by expanding its rates base and using stringent methods to collect monies owing as opposed to borrowing. The matter was thereafter put to a vote. With 167 Councillors present, 149 Councillors (ANC – 93, DA – 51, IND – 3, MOSA – 1 and AL JAMA-AH – 1) voted in favour and 18 Councillors (IFP – 5, EFF – 8, AIC – 2, ACDP – 1, DLC – 1 and APC – 1) voted against. There were no abstentions recorded.

The above recommendation of the Executive Committee was thereafter, by a majority vote, NOTED.

(At this stage of the proceedings Councillor RD Macpherson declared an interest in respect of the under-mentioned matter (Item 4.2) as he was involved in the clothing industry. He recused himself and left the meeting).

4.2 Review of Human Protection Clothing, Articles and Uniforms for the Fire and
Emergency Services Unit and Procurement Thereof (8/1/13/1):
(Page107 : Finance, Security and Emergency Services - Agenda 2019-11-21)

At the Support Committee level, Councillor Macpherson declared an interest on the item before it was discussed and subsequently recused himself from that meeting.

The Committee thereafter noted the request from the Fire and Emergency Services Unit to purchase new uniform from an overseas supplier. It was then agreed that a report on the cost implications of providing new uniforms be provided. Further, that the procurement of new uniforms must come from local suppliers, unless a full justification is provided otherwise.

On this basis,

COMMITTEE RECOMMENDS:

4.2.1 That authority be granted for the review of the personal protective firefighting attire, personal equipment and associated fatigue uniform to provide for a specialized personal protective ensembles and effect a change in fatigue uniform and colour, as well as changes to the manner in which the various ranks are reflects through fatigue and uniform use, to allow for eThekweni Fire Services to identify with the majority of local government Municipal fire services across the country and eliminates personal safety risks by continuing to be associated with the security sector as is current norm with the existing uniform colour, design and ranking insignia.

4.2.2 That, subject to the approval of 1 above, local suppliers be utilized to procure reviewed uniforms and, in the event this is not practical, a full motivation be submitted for consideration by the Finance, Security and Emergency Services Committee.

ADOPTED.

(At this stage of the proceedings Councillor RD Macpherson re-entered the meeting).

4.3 EThekweni Municipal Credit Rating (7/6/3/P):
(Page120 : Finance, Security and Emergency Services - Agenda 2019-11-21)

The Finance, Security and Emergency Services Committee intends obtaining a plan on overcoming the shortcomings on the procurement process, the determination in audit outcomes or sustained procurement irregularities and the determination in liquidity that sees unrestricted cash coverage sustained below 50 (fifty) days.

It should be noted that the Municipality has retained a stable overall outlook obtained during the same period of the assessment conducted the previous year by the Global Rating Agency.

Accordingly,

COMMITTEE RECOMMENDS:

4.3.1 That Council notes with appreciation the outcome of the eThekweni Municipality’s annual credit rating review conducted by Global Credit Rating Agency in November 2019 and reveals the results in the table below:

Rating Class	Rating Scale	Rating	Explanation	Rating Outlook
Long Term	National	AA + (ZA)	Very high credit quality. Protection facton are very strong. Adverse changes in business economic or financial conditions would increase investment risk, although not significantly.	Stable
Short Term	National	A1 + (ZA)	Very high certainty of timely payment. Short Term liquidity, including internal operating factors and/or access to alternative sources of funds are high. Risk factors are extremely low relative to others in the same country.	

- 4.3.2 That Council notes the credit rating rationale include the following, amongst others:
- (i) The Municipality's strong operating profile, its position as one of the country's major cities, as well as its strategic transport and logistics infrastructure.
 - (ii) The Municipality actively uses leverage to achieve strong capital project implementation but continues to follow relatively conservative financial matters.
 - (iii) The Municipality's well diversified source of income.

NOTED.

- 4.4 Status of Payment of Services by Section 21 Schools (7/6/3/1):
(Page135 : Finance, Security and Emergency Services - Agenda 2019-11-21)

COMMITTEE RECOMMENDS:

- 4.4.1 That as part of the intervention by the Municipality to enforce the culture of payment for Municipal services by the Section 21 Schools, authority be granted to install water and electricity meters at such schools and to implement the process of switching of this services after hours.
- 4.4.2 That, in line with the provisions of Section 96 of the Local Government: Municipal Systems Act No.32 of 2000 regarding the collection of debts owed the Municipality, authority be granted for the Deputy City Manager: Finance to pursue the collection of outstanding debt for Section 21 Schools from the KwaZulu-Natal Department of Public Works, as the Department responsible to honour such payments.

ADOPTED.

- 4.5 Report on Investment (7/11/4):
(Page139 : Finance, Security and Emergency Services - Agenda 2019-11-21)

Following consideration,

COMMITTEE RECOMMENDS:

That the report on investments for eThekweni Municipality as at 2019-10-31, which records the total funds invested at financial institutions as R5 362 Million at an average of return on investment of 7,5%, as submitted by the City Manager, in line with the requirements of the Municipal Cash Management and Investment Regulation of the Municipal Finance Management Act, 2003, be noted.

NOTED.

- 4.6 Budget Statement Report for the Month Ended 31 October 2019 (7/1/2/1):
(Page145 : Finance, Security and Emergency Services - Agenda 2019-11-21)

COMMITTEE RECOMMENDS:

That the Budget Statement Report for the month ended 2019-10-31, submitted by the City Manager as per this report dated 2019-11-14, in compliance with Section 71 of the Municipal Finance Management Act 56 of 2003 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, subject to the following:

- (i) The timeframes be provided for the completion of all catalytic projects.
- (ii) The Deputy City Manager: Finance provide a report as to why the number of unpaid water and electricity meters not read has increased.
- (iii) The Deputy City Manager: Finance furnish the Finance, Security and Emergency Services Committee with the number of normal versus prepaid electricity and water meters existing within the Metro.
- (iv) That the Deputy City Manager: Finance provide a more detailed report on the Contact Centre challenges, in particular, the replacement of the existing system.

NOTED.

5. REPORT OF HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE: MEETING HELD ON 2019-12-10

(Page R21)

- 5.1 Request for Authority to Transfer Funds to Project Y8879 Southern Coastal Area Wastewater Treatment Works Functional Upgrade (23/1/11/2/1/2):
(Page 12: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.1.1 That authority be granted for the transfer of funds from block sum project No. Y8770 - Southern Coastal Mechanical and Electrical to project No. Y8879: Southern Coastal Area Wastewater Treatment Works functional upgrade in the amount of R1 720 000.00 (One Million Seven Hundred and Twenty Thousand Rand) (excl. VAT) to procure equipment such as pit latrin pumps, MCC panels and aerator motors and gearboxes in an effort to guarantee that possible harm to the environment and the community is avoided by ensuring good quality effluent is discharged.
- 5.1.2 That authority be given to the Deputy City Manager: Finance to include in his adjustment budget report, the transfer of funds from block sum of project no. Y8770 Southern Coastal Mechanical and electrical to project Y8879 Southern Coastal Area Wastewater Treatment Works functional upgrade.

Vote No.: Y8879 R1 720 000.00 (excl. VAT) FC No: 365/C218

ADOPTED.

- 5.2 Request for Authority to Transfer Funds to Project Y8886 Bluff/Isipingo – Replace Aged Infrastructure PH8 (23/1/1/2/1/2):
(Page 18: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.2.1 That authority be granted for the transfer of funds in the amount of R2 000 000.00 (Two Million Rand) from project No. Y8771 - Central Coastal Area Mechanical and Electrical to project No. Y8886 : Bluff/Isipingo – Replace Aged Infrastructure PH8

- 5.2.2 That authority be granted for the Deputy City Manager: Finance to include in his adjustment budget report, the transfer of funds from project No. Y8771 - Central Coastal Area Mechanical and Electrical to project No. Y8886 : Bluff/Isipingo – Replace Aged Infrastructure PH8.

Vote: Y8886 R2 000 000 FC No: 365/C222

ADOPTED.

- 5.3 Request for Authority: Acquisition and Registration of Land and Pipe Line Servitudes in Tongaat (23/1/11/3/1) & (17/2/1/1/2)
(Page 24: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.3.1 That authority be granted for the Head: Real Estate to acquire the portions of land for the 12m wide water pipeline servitude, the payment of compensation for the temporary 20m wide working space and the acquisition of the land for the existing Mamba Ridge Reservoir.
- 5.3.2 That subject to the approval of 1. above, it be noted that the approval of the Bid Adjudication Committee will be sought to deviate from the Supply Chain Management Regulations to negotiate directly with the property owner for the acquisition of the property in question using Section 36 (1)(a)(ii) of the Supply Chain Management Policy.
- 5.3.3 That in the event of negotiations being unsuccessful the Head: Real Estate be authorised to expropriate the affected property.
- 5.3.4 That in the event of negotiations being successful, the City Manager record reasons for the deviations and report at the next meeting of the Council and include reasons as a note to the Annual Financial Statements in terms of Section 36(2) of the Municipal Supply Chain Management Policy.
FC: 364/C189

ADOPTED.

- 5.4 Request for Approval: Hosting of 2020 Student Water and Sanitation Conference (6/3/1):
(Page 32: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

During the deliberation at the Executive Committee, a financial breakdown in terms of the expenditure to be incurred for the hosting of 2020 Student Water and Sanitation Conference was questioned. Thereafter, it was noted that the breakdown had been submitted at the Support Committee level.

The three (03) Members of the Democratic Alliance abstained on this matter at this stage. With the other Executive Committee Members being in support,

COMMITTEE RECOMMENDS:

That, authority be granted for the Acting Deputy City Manager: Trading Services to organise and host the Student Water and Sanitation Conference on 2020-03-05 at the Inkosi Albert Luthuli International Convention Centre at the estimated cost of R990 084.00 (Nine Hundred and Ninety Thousand Eighty Four Rand) to go towards

venue , catering and awareness costs, it being recorded that the biennial Conference is intended to target the youth to educate and raise awareness on a range of water and sanitation related topics.

Vote No.: 60510.16315.11500.0000.83650.0010: R990 084.00 (To be provided for in 2019/2020 operating budget)

FC No.: 19/364/LH025

Some Councillors were not in support of the above recommendation of the Executive Committee on the basis of an exorbitant expenditure being utilised for a one day Conference. The matter was thereafter put to a vote. With 174 Councillors present, 118 Councillors (ANC – 96, IFP - 5, EFF – 7, IND – 3, AIC – 2, ACDP – 1, MF – 1, DLC – 1, APC – 1 and AL JAMA-AH – 1) voted in favour and 56 DA Councillors voted against. There were no abstentions recorded.

The above recommendation of the Executive Committee was thereafter, by a majority vote, ADOPTED.

- 5.5 Request for Approval to Host Association of Municipal Electricity Utilities' Convention 2020 (13/2/1/1/1):
(Page 45: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

The Executive Committee noted the explanation given that the hosting of the Association of Municipal Electricity Utilities Convention was on rotational basis amongst the Cities in the Country, noting that the previous convention was held in the City of Cape Town. The purpose of the Convention being an appropriate platform for exchanging strategies and ideas of how to manage municipal electricity utilities.

On this basis,

COMMITTEE RECOMMENDS:

- 5.5.1 That authority be granted to eThekweni Municipality's Electricity Unit to host the 2020 AMEU Convention at the Inkosi Albert Luthuli International Conference Centre.
- 5.5.2 That His Worship the Mayor and/or his representative to host the Mayoral Cocktail Function in the exhibition area at the end of day one (1).
- 5.5.3 That authority be granted to the Head: Electricity to incur expenditure in the amount of R2 130 000.00 (Two Million One Hundred and Thirty Thousand Rand) comprising of R1 830 000.00 (One Million Eight Hundred and Thirty Thousand) as a contribution towards hosting the AMEU Convention and Mayoral Cocktail Function and R300 000.00 (Three Hundred Thousand Rand) to include approximately 50 Bursary students, Trainees and members of staff to attend the Convention as part of their continuous professional development.
- 5.5.4 That permission be granted for employees to assist with organising and administration.

Vote Number: 37101 19925 11100 0000 64100 0010

ADOPTED.

5.6 Application for Approval of Transfer of Human Settlements Owned Land : Phoenix Infill Project to Relevant Line Departments (17/2/1/2/1):
(Page 106: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

The Committee noted that there were no financial implications in terms of the transfer of land.

The Democratic Alliance abstained to enable the matter to be considered by their Party Caucus in the first instance.

With the majority of the Executive Committee members in support,

COMMITTEE RECOMMENDS:

5.6.1 That authority be granted for the Acting Head: Human Settlements to release sites as contained in the report by the Acting Head: Human Settlements dated 2019-07-18 to Parks Recreation and Culture Department of eThekweni Municipality, it being recorded that the cost of subdivision and any related town planning requirement will be borne by the Human Settlements Unit.

5.6.2 That it be noted that the Human Settlements Unit has appointed developers who will be allocated sites to develop affordable housing. There are particular sites that have been identified that will require subdivisions prior to being released to Parks Recreation and Culture Department of eThekweni Municipality. The identified are depicted in the Annexure "A" and "B" of the report by the Acting Head: Human Settlements. Annexure "A" identifies sites that should be used as public open spaces.

Some Councillors were not in support of the above-mentioned recommendations of the Executive Committee contending that unscrupulous developers would use this opportunity to enrich themselves. Further, the relevance of the South African Football Association (SAFA), as indicated in the heading hereof, was questioned.

Clarity was provided that there was no involvement of SAFA hereon and parcels of land would not be provided to SAFA. Therefore, any reference to SAFA on this issue needed to be expunged herefrom. Further, the objective of this exercise was to address the housing backlog.

MOTION TO AMEND

Therefore, in terms of Rule of Order Bylaw 20(4), Councillor T Sabelo, seconded by Councillor S Mkhize, moved as a procedural motion that any reference to the South African Football Association (SAFA) relating to this matter be deleted.

CARRIED

The above-mentioned Motion to Amend was CARRIED.

Consideration thereafter reverted to the above recommendations of the Executive Committee and in view of the amendment to remove any reference made to SAFA hereon, the DA requested for a brief caucus which was granted.

Upon their return the DA indicated that they were not in support of the above recommendations of the Executive Committee. The matter was thereafter put to a vote. With 171 Councillors present, 112 Councillors (ANC – 91, IFP – 5, EFF – 8, IND – 4, AIC – 2, APC – 1 and AL JAMA-AH – 1) voted in favour and no Councillors voted against. 59 Councillors (DA – 56, ACDP – 1, MF – 1 and DLC – 1) abstained from voting.

It was thereafter, by the majority vote,

RESOLVED:

- 5.6.1 That authority be granted for the Acting Head: Human Settlements to release sites as contained in the report by the Acting Head: Human Settlements dated 2019-07-18 to Parks Recreation and Culture Department of eThekweni Municipality, it being recorded that the cost of subdivision and any related town planning requirement will be borne by the Human Settlements Unit.
- 5.6.2 That it be noted that the Human Settlements Unit has appointed developers who will be allocated sites to develop affordable housing. There are particular sites that have been identified that will require subdivisions prior to being released to Parks Recreation and Culture Department of eThekweni Municipality. The identified are depicted in the Annexure “A” and “B” of the report by the Acting Head: Human Settlements. Annexure “A” identifies sites that should be used as public open spaces.
- 5.7 Request for Authority to Transfer Funds to Project No. Y8760: Westville Edgbaston Sewer Reticulation Phase 4 – Ward 24 (23/2/1/3/5/1):
(Page 265: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.7.1 That authority be granted for the Head: Water and Sanitation to transfer funds to project No. Y8760 – Westville Edgbaston Sewer Reticulation Phase 4, Ward 24 as outlined in the report by the Head: Water and Sanitation dated 2019-08-14.
- 5.7.2 That authority be granted to the Deputy City Manager: Finance to include in his adjustment budget report, the transfer of funds from the projects where savings have been identified to project No. Y8760 – Westville Edgbaston Sewer Reticulation Phase 4 in the 2020/2021 financial year.

Project No	Financial Year	Budget	Comments
Y8760	2020/2021	R 1 500 000	To be met by savings from project No.Y8147 – MUT Trunk Sewer via an adjustment budget in 2020/2021
		R 1 500 000	To be met by savings from project No.Y7628 – Cato Ridge Trunk Sewer via an adjustment budget in 2020/2021
		R1 500 000	To be met by savings from project No.Y8162 – Sterksruit Trunk Sewer Project via an adjustment budget in 2020/2021

FC No.: 365/C191

ADOPTED.

- 5.8 Request for Authority to Transfer Funds Within the Water and Sanitation Capital Budget in 2019/2020 Financial Year (7/1/2/2):
(Page 275: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.8.1 That authority be granted for the Head : Water and Sanitation to transfer the following funds from Water and Sanitation project BLOCKSUM budget to a specific project:

Project description	Vote No	Funding Required in 2019/20	Project Funding Provided from	Vote funding Transferred to	Source of funding
On site Sanitation Blocksum	X5258A	R27m	Sanitation project	Y8841	Project Blocksum
On site Sanitation Blocksum	X5258C	R10m	Sanitation project	Y8841	Project Blocksum

- 5.8.2 That authority be given to the Deputy City Manager: Finance to include in his adjustment budget report, the transfer of funds from Water and Sanitation project budgets BLOCKSUM for the project to provide sanitation services and associated infrastructure at different wards where on-site sanitation is crucially required in the 2019/20 financial year.

Cost Centre/ Project No: Y8841 FC NO. 365/C192

ADOPTED.

- 5.9 Request for Authority to Transfer Funds to Project No. Y8763 (23/1/11/2/1/2):
(Page 280: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.9.1 That authority be granted for the transfer of funds from block sums Y8781C (KWAMASHU WWTW ELECTRICAL SWITCHGEAR) to the value of R13 750 000.00 (Thirteen Million Seven Hundred and Fifty Thousand) (excluding VAT) to Y8763 for design, Manufacture, Supply, Delivery, Installation, Testing and Commissioning of MV Switchgear at WWTW.

- 5.9.2 That authority be given to the Deputy City Manager: Finance to include in his adjustment budget report, the transfer of funds from block sums Y8781C (KWAMASHU WWTW ELECTRICAL SWITCHGEAR) TO THE VALUE OF R13 750 000.00 (Thirteen Million Seven Hundred and Fifty Thousand) (excluding VAT) to Y8763 for design, Manufacture, Supply, Delivery, Installation, Testing and Commissioning of MV Switchgear at SWWTW in the 2019/2020 financial year.

Vote: Y8763 R13 750 000.00 (excluding VAT) FC No.365/C211

ADOPTED.

- 5.10 Draft EThekweni Land Disposal and Granting of Property Right Policy:
(Page 284: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

With the three (03) Democratic Alliance members abstaining on the matter at this stage and the other Executive Committee members being in support,

COMMITTEE RECOMMENDS:

- 5.10.1 That the Land Alienation Policy and Letting Policy as contained in the report of the Head: Real Estate dated 2019-11-29, be repealed.
- 5.10.2 That the New Draft of eThekweni Land Disposal and Granting of Property Rights Policy as contained in the report by the Head : Real Estate dated 2019-11-29, be adopted.
- 5.10.3 That authority be granted for the Head : Real Estate to implement the new draft of eThekweni Land Disposal and Granting of Property Policy.

REFERENCE BACK

In terms of Rule of Order Bylaw 20(1)(c), Councillor WJD Burne, seconded by Councillor Y Govender, moved as a procedural motion that the above recommendations of the Executive Committee be referred to all Support Committees for consideration of the following:

- Various conceptual issues such as the provisions in respect of unsolicited bids, the duration of leases to religious organisations and other issues.
- Many deficiencies in drafting.

NOT CARRIED

As some Councillors were not in support of the above-mentioned Motion to Refer Back, the matter was put to the vote. With 172 Councillors present, 53 DA Councillors voted in favour and 116 Councillors (ANC- 97, IFP – 4, EFF -7, IND – 4, AIC – 2, APC – 1 and AL JAMA-AH - 1) voted against. 3 Councillors (ACDP – 1, MF – 1 and DLC – 1) abstained from voting.

The above-mentioned Motion to Refer Back was, by the majority vote, NOT CARRIED.

Discussion thereafter reverted to the substantive motion and as some Councillors were not in support thereof the matter was put to a vote. With 173 Councillors present, 117 Councillors (ANC – 97, IFP – 4, EFF -8, IND – 4, AIC – 2, APC – 1 and AL JAMA-AH – 1) voted in favour and no Councillors voted against. 56 Councillors (DA – 53, ACDP – 1, MF – 1 and DLC – 1) abstained from voting.

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

- 5.11 Request for Project Authority and Authority to Transfer Funds (7/1/2/2) And (17/2/2/2/1):
(Page 427: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.11.1 That authority be granted to the Head : Water and Sanitation to utilise the budget of projects that have been identified from the 2019/2020 financial year Water and Sanitation Capital Budget and the requirement to transfer such savings to priority projects in the amount of R13 130 000 (Thirteen Million One Hundred and Thirty Thousand Rand) funding that have been allocated over the current financial year and reallocation of these funds to those projects that are in need of additional funding to ensure continuity and completion and to optimise the available funds.
- 5.11.2 That authority be granted to the Head: Water and Sanitation to implement for a feasibility study need to be undertaken to enclose the ablution building at the Jeffels Road Depot, project No.: X4558, in the 2019/2020 financial year to prevent wind and rain from entering the ceiling void which results in the ceiling and light fixtures damaged for which project authority is required.

ADOPTED.

- 5.12 Request to Amend: Zibambele Poverty Alleviation Programme Selection of Beneficiaries (4/3/5/3):
(Page 434: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

The three (03) Democratic Alliance members abstained contending that there was a lack of transparency in terms of the structures responsible for the selection of beneficiaries of the Zibambele Poverty Alleviation Programme.

In that regard, discussions centred around recommendation 3, where it was agreed to amend same by the deletion of words “Ward/Community” and “decisions” and by the substitution thereof the words “War Rooms / Ward Committees and “recommendations” to read as follows:-

- “3. That War Rooms and Ward Committees structures make recommendations on the renewal/employment of beneficiaries on the Zibambele Programme in terms of the Ministerial determination.”

With the Majority of the Executive Committee in support thereof,

COMMITTEE RECOMMENDS:

- 5.12.1 That beneficiaries be limited to a maximum period of two years (two one year fixed term contracts) which would allow other deserving families the opportunity to benefit from the programme.
- 5.12.2 That the cut off age of beneficiaries be limited to 64, in an effort to reduce the health and safety risk to Council and provide the opportunity to meet the target of employment to youth which is set at 55% for EPWP Programmes.
- 5.12.3 That War Rooms and Ward Committees structures make recommendation on the renewal/employment of beneficiaries on the Zibambele Programme in terms of the Ministerial determination.

As some Councillors were not in support of the above-mentioned recommendations of the Executive Committee, the matter was put to a vote. With 174 Councillors present, 120 Councillors (ANC – 97, IFP – 4, EFF -8, IND – 4, AIC – 2, ACDP – 1, MF – 1, DLC – 1, APC – 1 and AL JAMA-AH – 1) voted in favour and no Councillors voted against. 54 DA Councillors abstained from voting.

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

- 5.13 Land Acquisition Through Donation from KZN Department of Human Settlements to EThekweni Municipality: Update of Report Dated 2019-03-07 (17/2/1/1/1):
(Page 438: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.13.1 That authority be granted for eThekweni Municipality to accept the property donations from the KwaZulu-Natal Department of Human Settlement.
- 5.13.2 That authority be granted for the land acquisition of the fifty-seven (57) roads properties listed in the Schedule No. through the donation from KZN Department of Human Settlements to eThekweni Municipality.
- 5.13.3 That the eleven (11) properties with road infrastructure listed in Schedule No. 1A and Schedule No. 2A, be subdivided by KZN Department of Human Settlements before the roads portions are donated to eThekweni Municipality.
- 5.13.4 That subject approval of 3. above, authority be granted to the Head: Human Settlements for the land acquisition of the eleven (11) roads properties listed in schedule No. 1A and schedule No. 2A through donation from KZN Department of Human Settlements to eThekweni Municipality.
- 5.13.5 That subject to approval of 1. Above, authority be granted to the Head: Real Estate to sign the relevant donation agreements and all documents necessary to effect the transfer to eThekweni Municipality.

ADOPTED.

- 5.14 Go!Durban Cycling Academy And Active Mobility Program Funding Authority as Part of Environment Offsets For The Integrated Public Transport Network (26/3/1/2)
(Page 511: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.14.1 That a progress report to Council on the Go!Durban Cycling Academy programs and achievements as contained in the report by the Head : eThekweni Transport Authority dated 2019-10-21, be noted.
- 5.14.2 That authority be granted for approval to continue funding support to the Go!Durban Cycling Academy and Active mobility for the period October 2019 to June 2022.

- 5.14.3 That authority be granted for the City Manager to conclude the following agreements:
- 5.14.3.1 An Addendum to the Memorandum of Understanding (MoU) with the Department of Environmental affairs to allow the eThekweni Transport Authority to facilitate and to manage the implementation of grant funds secured by the DEA from FfW German Development Bank, for the implementation of infrastructure and related active mobility advocacy activations for the Go!Durban Academy program; and
- 5.14.3.2 A Memorandum of agreement as contained in the report by the Head : eThekweni Transport Authority dated 2019-10-21 with Green Corridors NPC for the ongoing implementation of the GO!Durban Academy infrastructure and active mobility program for a period of three years, with funding sourced as outlined in the report of the Head : eThekweni Transport Authority.
- 5.14.4 That authority be granted for the transfer of Council budgeted funds to the Green Corridors NPC, in terms of 67 of the Municipal Finance Management Act (MFMA).
- 5.14.5 That the alignment of the reporting lines for the Go!Durban Cycling Academy and Active mobility programs from the Economic Development and Planning to the Human Settlements and Infrastructure Committee be approved.
- 5.14.6 That authority be granted for the Head: eThekweni Transport Authority to submit a report on the Audited Financial Statements to the next meeting of the Human Settlements and Infrastructure Committee for information.

ADOPTED.

- 5.15 Request for Authority to Transfer Funds to Y8870 – Northern Waste Water Treatment Works DAF 1 Saturator Tank and Pipe Work Replace Aged Infrastructure Phase 8 (23/1/11/2/1/2):
(Page L51: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.15.1 That authority be granted for the transfer of funds from block sum project No. Y8772: Lower Mgeni Mechanical and Electrical to the value of R650 000.00 (Six Hundred and Fifty Thousand Rand) excl. VAT to project No. Y8870 – Northern Waste Water Treatment Works DAF 1 Saturator Tank and Pipe Work Replace Aged Infrastructure Phase 8.
- 5.15.2 That authority be granted to the Deputy City Manager: Finance to include in his 2020/2021 Budget Report, the transfer of funds from block sum Y8772 - Lower Mgeni Mechanical and Electrical to project No. Y8870 – Northern Waste Water Treatment Works DAF 1 Saturator Tank and Pipe Work Replace Aged Infrastructure Phase 8.

Y8870 – Northern waste Water Treatment Works DAF 1 Saturator Tank and Pipe Work Replace Aged Infrastructure Phase 8.

ADOPTED.

- 5.16 Request for Authority to Transfer Funds to Y8869 – Central Area, Supply of Mechanical Equipment to Wastewater Infrastructure (23/1/11/2/1/2):
(Page L52: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.16.1 That authority be granted for the transfer of funds from block sum project No. Y8778: Central Area Mechanical and Electrical to the value of R1 000 000.00 (One Million Rand) (excl. VAT) in the 2019/2020 financial year, R4 000 000.00 (Four Million Rand) (excl. VAT) in the 2020/2021 financial year and R3 500 000.00 (Three Million Five Hundred Thousand Rand) to project No. Y8869 – Central Area, Supply of Mechanical Equipment to Wastewater Infrastructure in the respective financial years.
- 5.16.2 That authority be granted to the Deputy City Manager: Finance to include in his Adjustment Budget Report, the transfer of funds from block sum project No. Y8778: Central Area Mechanical and Electrical to project No. Y8869 – Central Area, Supply of Mechanical Equipment to Wastewater Infrastructure.

Y8869 – Central Area, Supply of Mechanical Equipment to Waste Water Infrastructure
R1 000 000.00 excl. VAT 2019/2020 – Adjustment Budget
R4 000 000.00 excl. VAT 2020/2021 – MTREF
R3 500 000.00 excl. VAT 2021/2022 – MTREF
FC 365/C198

ADOPTED.

- 5.17 Request for Approval for the Amendment of the Water Capital Budget Within the Water and Sanitation Unit for the Outer Financial Years (7/1/2/2):
(Page L53: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

COMMITTEE RECOMMENDS:

- 5.17.1 That authority be granted for the Head : Water and Sanitation to transfer funds from the following projects:

Financial Year Project No. Transfer	Project where savings identified	Amount	Reasons for savings
Y6524 – Canelands pipe and Pedestrian Bridge 2020/2021	Y8118 – Amanzimtoti Wastewater Treatment Works – Sludge Dewatering	R9 300 000.00	The appointment consultant could not meet the requirements of his contract and subsequently their contract expired as a result of this delay.
Y6524 – Canelands pipe and pedestrian bridge 2021/2022	X4889 - Replacement of water pipes	R13 700 000.00	Non award in one of Civil tenders which delayed implementation and spend in this financial year. Roll over from 2020/2021 financial year.
Y6524 – Canelands pipe and pedestrian bridge 2021/2022	X8180 – P1 to Blackburn Reservoir Link	R13 600 000.00	The link is dependent on the GoDurban route. Without the corridor the pipeline cannot be constructed. There has been SCM challenges on their tender which to date have not been resolved, resulting in this project being delayed.

Financial Year Project No. Transfer	Project where savings identified	Amount	Reasons for savings
X8057 – Kwanqetho Reservoir 2021/2020	X8019 – Upgrade of SCADA systems	R4 500 000.00	Result of the non-award of tender and the consequence re-tender has resulted in minimal spend in this financial year.
X8057 – Kwanqetho Reservoir 2021/2020	X8060 – Pinetown New Office Block	R10 000 000.00	Implementation dependent on external department, delay
X8057 – Kwanqetho Reservoir 2021/2020	X8057 – Kwanqetho Reservoir	R10 000 000.00	To be provided in the draft Capital budget.
X6489 – Umlazi F section trunkmain relocation 2020/2021	X6589 – Fraser Reservoir	R13 000 000.00	Construction of the reservoir has been delayed until the supply can be verified and secured.
X6489 – Umlazi F section trunkmain relocation 2020/2021	X4889 – Replacement of water pipes	R7 000 000.00	Non-award in one of the civil tenders which delayed implementation and spend in this financial year. Roll over from 2020/2021 financial year.
X6306 – Upgrade of Mkhizwana WTW 2020/2021	X4889 – Replacement of water pipes	R21 860 000.00	Non-award in one of the Civil tenders which delayed implementation and spend in this financial year.
X6306 – Upgrade of Mkhizwana WTW 2020/2021	X4257 – Labour based construction housing Blocksum	R3 000 000.00	Limited capital projects resulting in savings been identified.
X6306 – Upgrade of Mkhizwana WTW 2020/2021	X4632 – Catholic protection blocksum	R8 000 000.00	Limited capital projects resulting in savings been identified.
X6852 – Shongweni Reservoir 2020/2021	X7997 – Umlazi 4 to 5 Relay	R5 000 000.00	Design in progress, tender to be advertise in July 2020, LOA expected March 2021, minimal spend anticipated in this financial year.
X6852 – Shongweni Reservoir 2020/2021	X8342 – N2/N3 Upgrade Blocksum	R4 000 000.00	Implementation dependent on SANRAL. Delay in the N2/N3 upgrades resulted in savings been identified.
X6852 – Shongweni Reservoir 2020/2021	X8108 – P1 to blocksum Reservoir Link	R2 582 000.00	The link is dependent on the GoDurban route. Without the corridor the pipeline cannot be constructed. There has been SCM challenges on their tender which to date have not being resolved, resulting in this project being delayed.
X6721 – Maphephetheni augmentation supply 2020/2021	X7224 – Midnite Café reservoir	R14 500 000.00	Delay in acquiring the land for the pipeline and the reservoir has resulted in construction being pushed out further.
X6721 – Maphephetheni augmentation supply 2020/2021	X4889 – replacement of water pipes	R17 500 000.00	Non award in one of the Civil tenders which delayed implementation and spend in this financial year. Roll over from 2020/2021 financial year.
X6721 – Maphephetheni augmentation supply 2020/2021	X7224 – Midnite Café Reservoir	R4 000 000.00	Delay in acquiring the land for the pipeline and the reservoir has resulted in construction being pushed out further.
X6721 – Maphephetheni augmentation supply 2020/2021	X6721 – Maphephetheni Augmentation Supply	R11 000 000.00	To be provided in the draft Capital budget.

- 5.17.2 That subject to approval of 1. Above, authority be granted to the deputy City Manager: Finance to include in his adjustment budget report, the transfer of funds for the projects listed in the table above.

ADOPTED.

- 5.18 Adjustment Budget for Human Settlements Unit:
(Page L55: Human Settlements and Infrastructure Committee - Agenda 2019-12-10)

The Democratic Alliance abstained on the matter at this stage and with the majority of the Executive Committee members being in support thereof,

COMMITTEE RECOMMENDS:

- 5.18.1 That the Adjustment Budget for the Human Settlements Unit as contained in the report of the Acting Head: Human Settlements dated 2019-12-06, be approved.
- 5.18.2 That the additional budget of R150 000.00 (One Hundred and Fifty Thousand Rand) required subject to savings being declared, be approved.
- 5.18.3 That it be noted that the Adjustment Budget will be incorporated in the Council's February 2020 adjustment budget.

As some Councillors were not in support of the above-mentioned recommendations of the Executive Committee, the matter was put to a vote. With 174 Councillors present, 119 Councillors (ANC – 97, IFP – 4, EFF -8, IND – 4, AIC – 2, ACDP – 1, DLC – 1, APC – 1 and AL JAMA-AH – 1) voted in favour and no Councillors voted against. 55 Councillors (DA – 54 and MF – 1) abstained from voting.

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

6. STORM DAMAGE REPORT: MARCH & APRIL 2019: FUNDING UPDATE
(25/1/1/1) & (29/2/2/2)

(Page 1)

During deliberation, it was unanimously agreed that the process of relocating flood victims from community halls be fast tracked. That engagements be held amongst the stakeholders involved to share information and quantify expenditure thereby understanding overall financial implications as a result of storm damages.

A comprehensive report was requested on the expenditure pattern, in terms of the expenditure incurred and the commitments to date. That transparency will be exercised in dealing with the issue of storm damages with media briefing planned once a comprehensive report has been obtained thereby updating stakeholders in this regard. In the circumstance

COMMITTEE RECOMMENDS:

- 6.1 That Council approves the additional amount of R52 Million for reprioritized projects and budget to supplement the previously approved emergency funding which was adopted Council on 2019-10-31, with this matter also to be reported as part of the mid-year Council wide adjustment budget.

- 6.2 That the funding requirement for the next three (03) financial years, be noted.
- 6.3 That it be noted that projects are to continue on a priority basis as and when Deputy City Manager: Finance identifies savings, and/or as soon as grant funding is provided by the National Disaster Management.

ADOPTED.

7. FURNTECH / SMARTEXCHANGE INTEGRATED INCUBATOR PROPOSAL (20/1/6/3)

(Page 10)

COMMITTEE RECOMMENDS:

- 7.1 That Council approves the co-location proposal for SmartXchange to run a Township Information Communications Technology (ICT) Incubation Programme pilot from the premises of the KwaMashu Furniture Incubator.
- 7.2 That subject to the approval of .1 above, Council notes that the Parties (Furntech and SmartXchange will conclude a sub-lease to give effect to the co-location and this sub-lease will be in effect until the current lease agreement with Furntech ends in 20 months on 2021-07-01, or the Parties deem the project as concluded.
- 7.3 That Council further notes that subject to the approval of .1 and the conclusion of .2 above, the lease premises will be renovated for use by SmartXchange for the Township ICT Programme.
- 7.4 That subject to the adoption of .1 above, for the Municipality to set aside budget to cover the security costs for the land and buildings at the KwaMashu Furniture Incubator as a municipal asset for the duration of the partnership at an amount of R250 000.00 (Two Hundred and Fifty Thousand Rand) per year for the 2019/2020 and 2020/2021 financial years and the current lease agreement to be amended to reflect this.

Financial Implications:

Business Unit	Item	Item Subset	Fund	Costing	Project	Region	Expenditure Proposed	Year
26102	10840	12	12120	0000	MRC01	0010	R250 000.00	2019/2020
26102	10840	12	12120	0000	MRC01	0010	R250 000.00	2020/2021

FC No.: 2020/18/36

ADOPTED.

8. ESTABLISHMENT APPLICATION DRIVEN INDIGENT REGISTER WITHIN THE ETHEKWINI MUNICIPAL AREA (2/3/2/1/2) & (7/2/1)

(Page 15)

The process being commenced to establish the eThekweni Municipality Indigent Register was noted with appreciation. Emphasis was put on the development of the Indigent Policy which is biased to the poor and that residents eligible to form part of the indigent register will have to apply and assessment be done accordingly based on set criteria.

It was reiterated that information from stakeholders including SASSA, Department of Social Development, Statistics SA be utilized. Further, the draft policy will be submitted for consideration together with draft budget in March 2020.

COMMITTEE RECOMMENDS:

- 8.1 That Council take cognizance of the establishment application driven indigent register within the eThekweni Municipal area report.
- 8.2 That Council accepts that only municipal services assigned to the City under Schedule 4B and 5B and other services assigned under National and Provincial Legislation will be included as Free Basic Services (FBS) in the Indigent policy.
- 8.3 That Council approve the implementation of FBS through the compilation of Hybrid Indigent register consisting of both targeted and application approach.
- 8.4 That Council accept that households who are asset rich and cash poor are not necessarily indigent and that a household income and property market value cap in terms of the Valuation roll will be used to determine the cut-off for recognition of indigent households.
- 8.5 That the cut-off amount based on the market value of the property in the Valuation roll will be determined during the annual budget process of the city.
- 8.6 That a new Indigent policy be submitted to Council indicating the basic services that will be provided as well as the application processes.
- 8.7 That a further report on the introduction of a fixed fee for poor households be submitted to indicate the basis of the charge and how it will be recovered through which mechanism.

ADOPTED.

9. CITY PLANNING COMMISSION (3/2/1)

(Page 27)

COMMITTEE RECOMMENDS:

- 9.1 That Council notes and approves the review and amendments to the Terms of Reference for the City Planning Commission as set out in the Annexure in the report of the City Manager 2019-11-26.
- 9.2 That subject to the approval of .1 above, authority be delegated to Executive Committee to appoint the Chairperson and Deputy Chairperson of the City Planning Commission.
- 9.3 That Council approves the revised remuneration rates and fees for the Commissioners.
- 9.4 That Council notes progress with the nomination process for Commissioners for the period 2020/2022.

Financial Implications:

The estimated costs for the programmes, activities, including remuneration for 2019/2020 financial year as approved by Council in May 2018 is shown below:

Budget Item	2018/2019	2019/2020	2020/2021
Remuneration	R1 701 600.00	R1 701 600.00	R1 701 600.00
Venue Hire and Catering	R 150 000.00	R 157 500.00	R 165 400.00
Travel and Subsistence	R 40 000.00	R 42 000.00	R 44 100.00
Research	R2 018 400.00	R5 000 000.00	R6 000 000.00
TOTAL	R3 900 000.00	R6 901 100.00	R7 911 100.00

ADOPTED.

10. ETHEKWINI MUNICIPALITY RAIN DAMAGE INCIDENT 10TH – 11TH NOVEMBER 2019 (29/2/2/3)

(Page 36)

COMMITTEE RECOMMENDS:

- 10.1 That all relevant line function departments conduct their assessments and provide feedback caused by the heavy rains in November 2019.
- 10.2 That a further consolidated report with cost implications from various units be provided to highlight the costs incurred due to rainfall in November 2019.
- 10.3 That the report of the rain damage incident from the 10th - 11th November 2019 be noted by Council as a preliminary incident report.

ADOPTED.

11. UPDATE ON ETHEKWINI MUNICIPALITY'S PARTICIPATION IN THE 'FUTURE CITIES PROGRAMME' OF THE UK PROSPERITY FUND (7/4/1/20/1/7/1)

(Page 47)

COMMITTEE RECOMMENDS:

- 11.1 That Council notes the progress that has been made in securing technical support through the Future Cities Programme.
- 11.2 That Council supports the issuing of a positive response from Mayors Office to the letter from the British High Commission regarding eThekweni Municipality's participation in the "Implementation Phase" of the Future Cities Programme.

Financial Implications:

Technical support (through a Delivery Partner) and embedded programme management support will be provided by the UKPF's Future Cities Programme. The embedded programme management support will be for one year in the case of support to the coordination team, and for three years in the case of support to each of the technical leads. There are no costs associated with these positions for eThekweni Municipality, although additional support will be needed for the coordination team, after the one year period.

ADOPTED.

12. DRAFT 2020 CALENDAR OF ETHEKWINI MUNICIPALITY COUNCIL AND COMMITTEE MEETINGS (3/4/1)

(Page 82)

The Committee received the draft calendar of meetings for the year 2020. In noting that there were some clashes still identified, it was agreed that the Office of the Speaker and Administration work on the calendar to ensure all unresolved dates are addressed. That the flow of Executive Committee meetings be reviewed to enable Councillors to receive information due to be deliberated at Council timeously.

In view of the foregoing

COMMITTEE RECOMMENDS:

- 12.1 That subject to amendments to be effected by the Administration Council approves the dates of its meetings scheduled to take place in the year 2020 which have been set as part of forward planning for Committees to play its oversight role in an efficient manner.
- 12.2 That Council notes that the Committee Chairperson reserve the rights to amend dates of Meetings based on operational requirements but cognizance is taken that changes should be minimal to avoid interruptions and inconvenience into the Council Committees system.
- 12.3 That Council approves the draft Calendar, the dates be published on the Council's website and other communications channels, it being recorded that the availability of the Calendar will enable members and citizens alike to be aware of meetings dates and make the necessary arrangements in order to participate in the democratic process.

ADOPTED.

13. REQUEST FOR ACQUISITION AND IMPLEMENTATION OF CONTACT CENTRE CALL MANAGEMENT SOLUTIONS (8/281/2/1)

(Page 92)

Some members expressed concern at the budget breakdown to be utilized for the call centre. They felt inadequate information has been provided thus not justifying the exorbitant funds being spent.

On the other hand, explanation was given that a critical assessment of the system has been undertaken by the Information Management Unit and that Telkom is using the similar system for its call centres. That value for money is being assessed at the level of the Bid Adjudication Committee. Meanwhile, it was corrected that the report serving before this Committee should not have included the name of the service provider.

The 03 (three) Democratic Alliance Members abstained on the matter at this stage as they required further information.

With the majority of Executive Committee members in agreement,

COMMITTEE RECOMMENDS:

- 13.1 That Council approves for new project authority of R43 137 523.00 (Forty Three Million One Hundred and Thirty Seven Thousand Five Hundred and Twenty Three Rand) required to implement the Call Management Solution, as depicted in the financial implication below.
- 13.2 That subject to the adoption of .1 above, savings of R33 708 898.00 (Thirty Three Million Seven Hundred and Eight Thousand Eight Hundred and Ninety Eight Rand) be identified in the Capital Adjustment for the 2019/2020 fiscal year, and R4 714 312.50 (Four Million Seven Hundred and Fourteen Thousand Three Hundred and Twelve Rand and Fifty Cents) be identified in the Operating Adjustment budget for the 2019/2020 fiscal year to fund this expenditure.
- 13.3 That funds amounting to R4 714 312.50 (Four Million Seven Hundred and Fourteen Thousand Three Hundred and Twelve Rand and Fifty Cents) be provided on the Operating budget for the 2020/2021 fiscal year.

Financial Implications:

Funding of R43 137 523.00 (excluding VAT) over a period of 2 (two) years (Fiscal Years: 2019/2020 and 2020/2021) will be required for the acquisition and implementation of the Hauwei Call Management solution. Please refer to the table below for the cost breakdown.

Capital Budget (Excluding VAT)	2019/2020	2020/2021	TOTAL
	R33 708 898.00	-	R33 708 898.00

Operating Budget (Excluding VAT)	2019/2020	2020/2021	TOTAL
	R4 714 312.50	R4 714 312.50	R9 428 625.00

Budget provision of R19 600 000.00 had been made and approved by Council for a period of 3 (three) years (Fiscal years:2017/2018; 2018/2019 and 2019/2020) however the funds have since reallocated to other programmes by line Units due to failure to spend.

Furthermore commitment was made at the Capital Investment Committee that budget would be available during the 2019/2020 mid-term adjustment however given the current challenges with the Genesys solution, Finance is requested to give a financial guarantee for the project in order to ensure that procurement process is initiated prior to the close of the calendar year.

Some Councillors were not in support of the above-mentioned recommendations of the Executive Committee on the contention that inadequate information had been provided and the matter required further scrutiny. However, majority of the Councillors expressed the view that this initiative was aimed at providing better services to the Communities. The system was currently being used by Telkom, was “state of the art” and was comparable world wide.

As no consensus was reached the matter was put to a vote. With 173 Councillors present, 117 Councillors (ANC – 95, IFP – 4, EFF -8, IND – 4, AIC – 2, MF – 1, DLC – 1, APC – 1 and AL JAMA-AH – 1) voted in favour and 56 DA Councillors voted against. There were no abstentions recorded.

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

14. REQUEST FOR SECTION 116(3)(A)(B) AMENDMENT TO THE SOFT DRINKS AND BEER POURING PARTNERSHIP AGREEMENTS FOR MOSES MABHIDA STADIUM (MMS – 0153) (31/2/1/5/2)

(Page 97)

COMMITTEE RECOMMENDS:

That the amendment of contract relative to soft drinks and beer pouring partnership agreements for Moses Mabhida Stadium, be noted and supported for reasons advanced in the report of the City Manager dated 2019-09-29, in terms of Section 116(3) (a) (b) of the Local Government Municipal Finance Management Act 56 of 2003 by extending the contract duration by 2 (two) years on the same terms subject to supply chain management processes.

ADOPTED.

15. REQUEST FOR AUTHORITY TO LEASE OUT MOSES MABHIDA STADIUM RETAIL SHOPS AND CORPORATE SUITES (31/2/1/5/2)

(Page 103)

During deliberations, consensus was reached that endeavors be made to attract economic opportunities for Moses Mabhida to achieve financial stability in the long terms.

On this basis,

COMMITTEE RECOMMENDS:

- 15.1 That Municipality declares in terms of Section 14 of the Municipal Finance Management Act read together with Regulation 36 of the Municipal Asset Transfer Regulations:
- 15.1.1 That said properties are not required for providing the minimum level of basic Municipal services during the proposed lease period; and
- 15.1.2 That a long-term right for a period of approximately 5 (five) years, open to renewal be granted in respect of the capital asset
- 15.1.3 The rental be assessed on the open market value as the attached valuation report
- 15.2 That subject to .1.1 to .1.3 above and approval of the Bid Adjudication Committee, the Head: Real Estate and Head : Stadia be authorized to sign all documents necessary to conclude the agreement.

ADOPTED.

16. REQUEST FOR AUTHORISATION FOR EVENT LEVERING FOR DESTINATION PROMOTION WITH STRATEGIC EVENTS DURING THE FESTIVE SEASON OF 2019/2020 AND 2020/2021 (13/2/1/2/1)

(Page 115)

The Committee appreciated the report and further mentioned that the business sector should come on board to assist the City in terms of fighting crime not only during the strategic events.

The Democratic Alliance Members abstained on the matter at this stage and with the majority Executive Committee members being in support,

COMMITTEE RECOMMENDS:

- 16.1 That Council notes and approves the partnership funding for the hosting of events for 20219/2020 and 2020/2021 financial years as listed in Table A in the report of the City Manager dated 2019-11-28.
- 16.2 That the City Manager, through the Head: Business Support Tourism and Markets be granted authority to negotiate benefits and rights to leverage the destination and profile Durban with the event organisers.
- 16.3 That the City Manager be granted authority to conclude contracts with events owners against the partnership investment.
- 16.4 That the Head: Business Support Tourism and Markets report back to Council on the outcomes of partnership and hosting such events.

Financial Implications:

The total budget implications for the listed events in Table A in the report of the City Manager dated 2019-11-28 amounting at R3 250 000.00 (Three Million Two Hundred and Fifty Thousand Rand) excluding VAT is provide for the financial year of 2019/2020 and 22020/2021 as provided for in vote number:

BU	ITEM.SUB	FUND	COSTING	PROJECT	REGION
29723	11760	12120	0000	85570	0010

Financial Year: 2019/2020 and 2020/2021
Amount provided: R3 250 000.00 excluding VAT
FC No.: 2020/13/09

ADOPTED.

17. LEASE OF ERF 12380 DURBAN (17/2/1/1/3)

(Page L57)

Committee noted that the lease of ERF 12380 had expired six (6) months prior and it was concerning that the report was only submitted for approval in December.

Having noted the explanation given that there was misunderstanding with the commencement date of the lease,

COMMITTEE RECOMMENDS:

- 17.1 That in terms of Section 110 (2) of the Local Government: Municipal Finance Management Act 56 of 2003, Council approves the lease of the properties described as Erf 12380 in extent 5,7856m² and Erf 11727 Durban in extent 4,6577m² for a

period of (twenty) 20 years to the Durban ICC SOC LTD with company Registration details 1992/008887/30.

- 17.2 That the rental for the lease period be assessed at nil.
- 17.3 That subject to the adoption of .1 and .2 above, the Head Real Estate be authorized to sign all documents necessary to conclude the agreement.

Councillor WJD Burne advised of the need for recommendation 17.2 above to be amended to indicate an amount for the lease in question as it was not proper to have a lease without a rental. Councillor Burne was supported by the Head: Legal Services and Compliance.

MOTION TO AMEND

Therefore, in terms of Rule of Order Bylaw 20(4), Councillor T Sabelo, seconded by Councillor S Mkhize, moved as a procedural motion that recommendation 17.2 above be amended by the deletion of the word “nil” and by the substitution therefor of the amount in rands and cents “R1-50”, to read as follows:

“17.2 That the rental for the lease period be assessed at R1-50.”

CARRIED

As not all Councillors were in support of the aforementioned amendment the matter was put to a vote. With 169 Councillors present, 160 Councillors (ANC – 95, DA – 54, IFP – 3, IND – 3, ACDP – 1, MF – 1, DLC – 1, APC – 1 and AL JAMA-AH – 1) voted in favour no Councillors voted against. 9 Councillors (EFF – 7 and AIC – 2) abstained from voting.

The above-mentioned Motion to Amend was, by the majority vote, CARRIED.

Consideration thereafter reverted to the substantive motion, as amended. As some Councillors were not in support thereof the matter was put to a vote. With 169 Councillors present, 160 Councillors (ANC – 95, DA – 54, IFP – 3, IND – 3, ACDP – 1, MF – 1, DLC – 1, APC – 1 and AL JAMA-AH – 1) voted in favour no Councillors voted against. 9 Councillors (EFF – 7 and AIC – 2) abstained from voting.

It was thereafter

RESOLVED:

- 17.1 **That in terms of Section 110 (2) of the Local Government: Municipal Finance Management Act 56 of 2003, Council approves the lease of the properties described as Erf 12380 in extent 5,7856m² and Erf 11727 Durban in extent 4,6577m² for a period of (twenty) 20 years to the Durban ICC SOC LTD with company Registration details 1992/008887/30.**
- 17.2 **That the rental for the lease period be assessed at R1-50.**
- 17.3 **That subject to the adoption of .1 and .2 above, the Head Real Estate be authorized to sign all documents necessary to conclude the agreement.**

18. AMENDMENT OF COUNCIL DECISION ON MUNICIPAL TRANSFER:
DISPOSAL OF LAND IN RESPECT OF SOCIAL HOUSING (21/8/3)

(Page L56)

The Committee was given an assurance that the sites will be utilized effectively to maximize economic benefits for the City. It was emphasized that the drive-in site will also be used for park and rides.

The Democratic Alliance abstained to enable their Caucus to consider the matter in the first instance.

With the majority of Executive Committee members being in support,

COMMITTEE RECOMMENDS:

- 18.1 That Council amends and include provisions relating to public participation, noting the market value of the respective assets, in terms of leases and applicable lease discounts in relation to the Council decisions taken on 2018-04-26 and 2018-07-31 attached to the report of the City Manager dated 2019-12-09 relating to the utilization of sites for social housing as indicated below.
- 18.2 That subject .1 above, where the fair market value of the respective assets to the leased exceeds R10 Million, the Accounting Officer be authorized to conduct a Public Participation Process as envisaged in terms of Regulation 34(3)(a) the Municipal Asset Transfer Regulations of the Municipal Finance Management Act, 2003, for the proposed granting of rights to use, control the properties/sites indicated in Annexure B to the report of the City Manager dated 2019-12-09.
- 18.3 That subject to .2 above, Council approves in-principle granting of rights in terms of Regulation 36 of the Municipal Asset Transfer Regulations for the long-term lease for a period of (fifty) 50 years to Social Housing Institutions approved by Human Settlements Unit (Social Housing Department), for the development of social housing.
- 18.4 That subject to the adoption of .1 - .3 above, Council approves in principle that the lease in respect of the properties/sites for exclusive social development will be discounted by 90% of the fair market value in accordance with Regulation 13(2) Municipal Asset Transfer Regulations of the Municipal Finance Management Act, 2003.
- 18.5 That subject to the adoption of .1 - .4 above, Council approves in principle that in the event of commercial opportunities being created within the proposed developments the commercial leases will be leased at full market value in accordance with Regulation 13(1) Municipal Asset Transfer Regulations of the Municipal Finance Management Act, 2003.
- 18.6 That subject to the adoption of .1 - .5 above, authority be granted to rezone the properties to the appropriate zoning to accommodate the proposed development in an effort to accomplish the eThekweni Municipality's housing objectives of spatial restructuring and economic generation which will contribute to economic empowerment, non-racialism and social integration.
- 18.7 That subject to the adoption of .1 - .6 above, authority be granted to the Head : Human Settlements and Head : Real Estate to sign binding and enforceable Memoranda of Agreement with Social Housing Institutions to ensure that the envisaged developed is completed.

- 18.8 That subject to the adoption of .1 - .7 above, authority be granted to the Head : Real Estate to sign the lease agreements with approved Social Housing Institutions in respect of the properties/sites land indicated in Annexure B to the report of the City Manager dated 2019-12-09.
- 18.9 That subject to the adoption of .1 - .8 above, in the event that agreements are not concluded within (twelve) 12 months from date of the Council decisions, the Head : Real Estate be authorized to reassess the market value of the respect of the properties/sites land indicated in Annexure B in the report of the City Manager dated 2019-12-09.
- 18.10 That subject to the adoption of .1 - .9 above, the process flowing from the Council decisions taken on 2018-04-26 and 2018-07-31 respectively be suspended until all the relevant processes indicated above have been successful completed.
- 18.11 That authority be granted for the removal of the Drive-in Site - South of Sandile Thusi Road West of Sylvester Ntuli Road from the list of approved long-term leases as per the Council resolution of 2018-07-31.

Some Councillors were not in support of the above recommendations of the Executive Committee. The matter was therefore put to a vote. With 167 Councillors present, 110 Councillors (ANC – 93, IFP – 4, EFF – 6, IND – 3, AIC – 2, APC – 1 and AL JAMA-AH – 1) voted in favour no Councillors voted against. 57 Councillors (DA – 54, ACDP – 1, MF – 1 and DLC – 1) abstained from voting.

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

19. REQUEST FOR PROJECT AUTHORITY TO RE-DIRECT MANDELA DAY FUND ALLOCATION TO 16 DAYS OF ACTIVISM AWARENESS CAMPAIGN (12/9/R) & (19/1/1/4)

(Page L58)

The Committee noted that a report giving specific Wards where the Mandela Day Programme was to be held was still not provided, as previously requested. Committee members were concerned about poor management of programmes. Furthermore, there was a request for alignment of the budget allocation and the activities to be undertaken.

Clarity was provided as to why Mandela Day event did not take place and the need to transfer the budget for the programme in question.

The Democratic Alliance members whilst supporting the Campaign for 16 Days of Activism Awareness, were not in support of the report and Inkatha Freedom Party member abstained for Caucus purposes.

With the majority of the Executive Committee members being in support,

COMMITTEE RECOMMENDS:

- 19.1 That Council approves the redirection of approved budget for Mandela Day for the amount of R1 500 000.00 (One Million Five Hundred Thousand Rand) to the

16 Days of Activism Awareness Campaigns which will be implemented by the Deputy City Manager: Community and Emergency Services up to end of February 2020.

- 19.2 That subject to the approval of .1 above, authority be granted for the Deputy City Manager: Community and Emergency Services to incur expenditure in the amount of R1 500 000.00 (One Million Five Hundred Thousand Rand) towards logistics of the 16 Days of Activism Awareness Campaigns.
- 19.3 That subject .1 and .2 above, all supply chain processes be undertaken strictly in accordance with the Supply Chain Management and Municipal Finance Management Act, 2003 as well as Circular 82 regarding Cost Containment Measures.

Financial Implications:

The Council approval dated 2019-09-27 Community & Emergency Services Committee 2019-08-15 to host and implement Mandela Dy Programmes (Vote Number 14001.Variou.12120.38300.0010 FC No.: 32/218 provided for 2019/2020) for the amount of R1 500 000.00. However, the programme was canceled due to the fact that it was planned to take place in July and the Council only approved in September as per attached approval in the report of the City Manager dated 2019-12-05. The budget that was allocated for the Mandela Day Programme to be redirected to the awareness campaigns for 16 Days of Activism which will be implemented in 17 zones that will be evenly spread throughout the City.

Activities	Financial Implication
Various activities as stated above will take place in throughout the City and Wards will be identified which will cover 17 Zones. We will have activities such as dialogues, Community engagements, marches and visits to the victims	Each Zone will be allocated no more than R90 000.00 for implementation of the programme
TOTAL	R1 500 000.00

FC No.: 32/218

Some Councillors were not in support of the above recommendations of the Executive Committee. The matter was therefore put to a vote. With 171 Councillors present, 116 Councillors (ANC – 94, IFP – 4, EFF – 7, IND – 4, AIC – 2, ACDP – 1, MF – 1, DLC – 1, APC – 1 and AL JAMA-AH – 1) voted in favour. 55 DA Councillors voted against. There were no abstentions recorded.

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

(Councillor DM Shozi, Chairperson of the Municipal Public Accounts Committee presented the Reports of the Municipal Public Accounts Committee).

REPORTS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

1. Report of the Municipal Public Accounts Committee : 2019/2020 Quarterly Report:
(Attached to Agenda)

2019/2020:
Quarterly
Report:
MPAC

September 30

2019

Report of the Municipal Public Accounts Committee (MPAC) for the
first quarter of 2019/2020 financial year: July to September 2019

Municipal Public
Accounts
Committee
(MPAC)

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1. CHAIRPERSON'S STATEMENT

It is my pleasure to present to you the Quarterly Report of the Municipal Public Accounts Committee which records the activities of the Committee from 1st July to 30 September 2019.

It has been work as usual for MPAC despite the various changes which took place in the Municipality during this quarter. As you are all aware, I was appointed as Chairperson of MPAC by Council on 5th September 2019. I am honoured by this appointment and would like to thank the previous Chairperson, Councillor Thabane Luthuli for his support as well as ongoing encouragement as I undertake this new role. Furthermore, I would like to extend my gratitude to the Members for welcoming me to the Committee and working with me as we continue to undertake this extremely important oversight role of the Municipality.

In this quarter, the Committee has focussed on investigations undertaken by the City Integrity and Investigations Unit. Due to the sensitivity of these investigations, we have held three In-Committee meetings which have resulted in us taking resolutions which will ensure that our recommendations to Council will be implemented expeditiously. Such recommendations will be contained in a separate report.

We have been pleased to have the City Manager at most of our meetings and believe that, together with his input and our efforts to intensify our oversight role of crucial Council matters, this will impact on the City's overall performance both financially and in terms of service delivery. As a result of the huge amount of irregular expenditure of R1.5 billion that has been identified by the Auditor General for the 2018/2019 financial year, we have requested the City Manager to institute tighter internal control measures which will prevent further financial loss to the City and eradicate deviations from policies and procedures. We have further urged the City Manager to accelerate the consequence management process so that a clear message is conveyed to officials that irregular or fraudulent activities will not be tolerated.

We welcome the establishment of the new Finance Committee which we believe will have a positive impact on the City as a whole and as we move into the next quarter, we also urge Support Committees to increase their oversight of their Clusters and Units in order for us to work cohesively to build our Municipality so that our promise to be the most caring and liveable City by 2030 is fulfilled.

Councillor Dennis Shoji
Chairperson: Municipal Public Accounts Committee

eThekweni Municipality

2. MEMBERSHIP AND MEETINGS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The Committee comprises of 11 members appointed by full Council on a proportional representation basis and one member of the Amakhosi on an ex-officio basis. The filling of a vacancy by the Economic Freedom Fighters was approved by Council on 5th September 2019 and we welcome Councillor Elijah Nhlangulela to the Committee.

2.1 Membership of the Municipal Public Accounts Committee during the first quarter of 2018/2019:

NO.	SURNAME	NAMES	DESIGNATION	PARTY
1.	Shozi	Dennis Mzwamasoka	Chairperson	ANC*
2.	Luthuli	Pearl	Deputy Chairperson	ANC
3.	Beetge	Andre	Member	DA
4.	Collins	Terence Peter	Member	DA
5.	De Boer	Shontel Veronica	Member	DA
6.	Dlamini	Conrad Bongimusa	Member	ANC
7.	Iyir	Noorharpersadh Birtharthee	Member	IFP
8.	Luthuli	Thabane Jacques	Member	ANC
9.	Mnguni	Ntombizodwa Enid	Member	ANC
10.	Nhlangulela	Bongani Elijah	Member	EFF
11.	Shezi	Muziwenhlanhla Conelius	Member	ANC
12.	Sibiya	Ntokozo	Member	ANC*
13.	Shozi	Emmanuel Bhekuzalo	Ex-Officio	Amakhosi

* Councillor Sibiya ceased to be a Member and Councillor Shozi replaced her on 5th September 2019.

2.2 Attendance of Members at Municipal Public Accounts Committee:

(a) Meetings held from 12th July to 3rd September 2019

Name	Jul 12	Jul 24	Aug 12	Aug 15	Aug 22	Sept 03
Councillor TJ Luthuli (Chairperson)	P	P	P	P	P	P O S T P O N E D
Councillor A Beetge	P	P	P	P	P	
Councillor TP Collins	P	P	P	P	P	
Councillor SV De Boer	P	P	P	P	P	
Councillor CB Dlamini	P	P	P	P	P	
Councillor NB Iyir	L	P	L	L	L	
Councillor P Luthuli	A	P	A	P	P	
Councillor NE Mnguni	P	P	P	P	P	
Councillor MC Shezi	P	P	P	P	P	
Councillor N Sibiya	P	L	L	A	P	
Inkosi EB Shozi (Ex Officio)	A	A	A	A	A	

N.B. EFF had a vacancy during this period

(b) Meeting held on 19th September 2019

Name	Sept 19
Councillor DM Shozi (Chairperson)	P
Councillor A Beetge	P
Councillor TP Collins	P
Councillor SV De Boer	P
Councillor CB Dlamini	P
Councillor NB Iyir	P
Councillor P Luthuli	P
Councillor TJ Luthuli	P
Councillor NE Mnguni	P
Councillor E Nhlangulela	P
Councillor MC Shezi	P
Councillor N Sibiya	P
Inkosi EB Shozi (Ex Officio)	A

Symbol: (P)resent, (L)eave, (A)bsent

3. ROLE OF THE COMMITTEE

The primary function of the Municipal Public Accounts Committee is to help Council to hold the Administration, Municipal Agencies and Entities accountable for their management of municipal funds and assets in order to ensure the efficient and effective utilisation of council resources. This includes the Council's Support Committees, Executive Committee as well as Councillors. MPAC plays a role in increasing public and Council awareness of the financial and performance issues of the Municipality and its Entities.

The Committee activities include a mix of self-initiated enquiries and referred enquiries. The Committee receives submissions and conducts briefings and hearings on such matters as and when required.

4. SUMMARY OF COMMITTEE ACTIVITIES FOR PERIOD JULY 2019 TO SEPTEMBER 2019

Activity	Number
Reports Tabled	74
Deliberative Meetings	7
Hearings	Nil
Briefings	Nil
Witnesses Appearing	Nil

5. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE COMMENTS, FINDINGS AND RECOMMENDATIONS FOR FIRST QUARTER OF 2019/2020

5.1 A number of outstanding investigation reports were provided to MPAC by City Integrity and Investigations Unit as outlined below:

INV358/05/2015	REVENUE MANAGEMENT SYSTEM INVESTIGATION
INV130/02/2015	COVER QUOTING: PUBLIC TENDER AWARDS MADE TO ENTITIES IDENTIFIED IN THE FORENSIC REPORT BY KPMG
INV489/02/2017	IRREGULAR EXPENDITURE INCURRED IN FOLWENI HOUSING PROJECT
INV500/03/2017	ALLEGED PAYMENT FOR SERVICES NOT RENDERED
INV508/03/2017	ALLEGATIONS OF PROCUREMENT IRREGULARITIES: DURBAN SOLID WASTE
INV073/10/2017	ALLEGED IRREGULAR EXPENDITURE
INV333/04/2015	INFILL HOUSING PROJECT INVESTIGATION - DELOITTES INVESTIGATED
INV280/05/2016	ALLEGED PROCUREMENT FRAUD AND OTHER SCM IRREGULARITIES IN THE APPOINTMENT OF A CONTRACTOR
INV171/01/2018	ALLEGED PROCUREMENT IRREGULARITIES: WATER AND SANITATION: R36.1 MILLION
INV003/07/2014 (A) INV003/07/2014 (B)	ALLEGED FRUITLESS AND WASTEFUL EXPENDITURE AT CITY FLEET UNIT
INV172/01/2018	ALLEGED IRREGULAR PROPERTY VALUATIONS
INV256/04/2018	AQUA TRANSPORT AND PLANT HIRE: LEGAL SETTLEMENT

5.2 As per the MPAC Workplan 2019/2020 which was approved by Council on 29th May 2019, various reports are required to be provided to the Committee on a monthly and quarterly basis.

5.2.1 The following reports were received and considered by Committee during the 1st quarter:

- Monthly report on awards made by the City for the month of May 2019
- Budget statement Reports for the months ending April, May, June and July 2019
- Report of the Audit Committee for quarter ended 31 March 2019
- Irregular Expenditure Reports

5.2.2 MPAC also examines the City’s performance by interrogating the Service Delivery and Budget Implementation Plan (SDBIP) and is currently awaiting reports from the following Plan Owners in order to address the non-achievement of targets for Quarter 4 of the 2018/2019 financial year:

Plan No	Plan Owner	Achievement Rate (%)
Plan 2	Deputy City Manager: Economic Development	68.75%
Plan 3A	Deputy City Manager: Trading Services	73.08%
Plan 3B	Deputy City Manager: Human Settlements, Engineering and Transport	80%
Plan 4	Deputy City Manager: Community and Emergency Services	73.33%
Plan 5	Deputy City Manager: Corporate & Human Resources	94.44%
Plan 6B	Deputy City Manager: Community and Emergency Services	50%
Plan 7A	Deputy City Manager: Governance and International Relations	81.82%
Plan 8	Deputy City Manager: Finance	69.23%
Plan 22	Deputy City Manager: Economic Development	82.35%

5.2.3 There was no report provided to the Committee on disciplinary action instituted in terms of the Municipal Finance Management Act.

5.2.4 Committee is also required to monitor the review of external service provider performance and is currently awaiting reports from the following Units to deal with underperformance of contractors and non-submission of assessments by the following Units for the 4th quarter of 2018/2019:

- Electricity
- Engineering
- Human Settlements
- Water and Sanitation

5.3 It must be noted that the Finance Unit are in the process of revising the system to deal with Irregular expenditure reporting. As soon as the process is finalised, MPAC will revisit irregular expenditure reports in order to make a recommendation to Council to write off or recover monies.

5.4 Committee interviewed the following Units in respect of Fruitless and Wasteful expenditure incurred in the 2017/2018 and are awaiting further reports and/or additional information from the following Units:

- Water and Sanitation
- eThekweni Transport Authority
- Engineering

6. **WORKSHOPS AND TRAINING**

There were no workshops or training held during this period.

7. **CONCLUSION**

The Committee's effectiveness is hampered by the lack of resources as well as tardy reports from some Units; nonetheless with the attendance of the City Manager at its meetings and his commitment towards ensuring that consequence management is effected, we believe that the Committee will be even more diligent in exercising its oversight role.

Furthermore, the Committee has built a reputation for its insistence on proper governance within the municipality and has not faltered in its aim to achieve a clean audit outcome from the Auditor General as soon as possible, preferably by the 2020 financial year end.

Whilst progress is sometimes frustratingly slow, it is the determination of the Committee that its recommendations to Council are thoroughly researched, Departments properly interrogated and the results targeted towards a City proud of its clean administration. There is still some way to go, but the Committee is optimistic that it will achieve this aim.

Therefore,

COMMITTEE RECOMMENDS:

That the first quarterly report 2019/2020 of the Municipal Public Accounts Committee for the month ending 30th September 2019, be noted.

NOTED.

2. **Second Report of the Municipal Public Accounts Committee:**

(Laid on Table)

REPORT FROM THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

TO : COUNCIL

REPORT ON INVESTIGATIONS UNDERTAKEN BY CITY INTEGRITY AND INVESTIGATIONS UNIT

1. **INTRODUCTION**

One of our core functions is the oversight of the outcome of any investigations into the financial affairs of the Municipality and its Entities.

To this end, we have had grave concerns regarding certain investigations undertaken by City Integrity and Investigations Unit (CIU) and the non-implementation of the resultant recommendations by the relevant Units.

At our In-Committee meetings held on 2019-08-22, 2019-09-19 and 2019-10-03 we considered the following investigation reports:

1.1 **INV358/05/2015: Revenue Management System Investigation:**

During consideration of the matter, Committee was informed that the whole investigation had been characterised by the lack of documentation and/or documentation being provided piecemeal to CIU. We noted that officials involved in the initial stages of the RMS were no longer in the employ of the Municipality and there were several service providers involved in the project due to ancillary services required at varied costs. Furthermore, we learned that there was an Executive Committee (EXCO) resolution dated 2003-10-21 which provided the names of the Company A and B who were appointed for the implementation of the RMS project and for the supply of the integrated development environment platform for the Municipality at a once off cost of R3.5 million. We also found that Company A acted as a strategic partner on all software development projects using their VirtualWorks platform which involved another layer of entities and Company C was engaged for software development. In addition, a further report was submitted to EXCO requesting a budget of R90 to R150 million and this was followed by other reports which increased the budget for the project to R840 million. We noted that other reports were submitted thereafter changing the cost of the project constantly and also found that a list of all companies which were paid from the RMS vote numbers to the value of R743 million.

We were seriously concerned about the project being permitted to span from 2003 to date at such an exorbitant cost to the Municipality. Moreover, we felt that processes undertaken throughout the project appeared to be defective and/or irregular and it is our

belief that the recommendations as contained in the CIU report should be implemented with immediate effect.

Furthermore, we noted:

- That a memorandum of understanding was never concluded with Company C for the software development projects using the VirtualWorks development as approved by Council on 21st October 2003. The purpose of this agreement was to ensure capacity building and a complete transfer of skills locally.
- That RMS was never developed as an in-house as reported to and authorised by Council.
- That as Company C was the only entity tasked with the development of software by Council; the appointment and use of Company O for this purpose was therefore irregular.
- That, consequently, unauthorised expenditure was incurred in relation to this project.
- That fruitless and wasteful expenditure was incurred in relation to the project as payments were made for services not rendered and as the system has failed to deliver on its intended objectives.

Having duly deliberated on this matter

COMMITTEE RECOMMENDS:

That the City Manager ensures that the required remedial action is taken and provides the Municipal Public Accounts Committee with a status report, within two months, on the implementation of the City Integrity & Investigations Unit's recommendations with regard to INV358/05/2015: Revenue Management System Investigation.

ADOPTED.

1.2

INV508/03/2017: Allegations of Procurement Irregularities: Orange Refuse Bags: Durban Solid Waste:

We were informed that this investigation pertained to the manufacture, supply, delivery and off-loading of orange refuse plastic bags for a period of 36 months by Company D who failed to deliver the said plastic bags. An external service provider investigated this matter to determine if the procurement process undertaken to award the above contract complied with the SCM Policy of the Municipality and any other relevant legislation. The company also investigated the tender submitted by Company D to check if it complied with the tender specification and whether officials of the municipality had assisted Company D to obtain loan funding from a banking institution in order to raise capital to service the contract which was awarded to Company D. A further quest was to identify if the plastics which were supplied by Company E on behalf of Company D were out of specification for the first purchase order.

We learnt that there had been misrepresentation in the report to the Bid Evaluation Committee (BEC) as it stated that functionality had been utilised to evaluate the tender; the misrepresentation had been made by Official X because the evidence from the forensic investigation revealed that the scoring of tenders for functionality, as provided for in the tender specification, had not been performed.

Furthermore, we discovered that the investigation concluded, *inter alia*, that the BEC had failed to execute its mandate when it approved the report because it did not contain the results of the scoring of the bids against functionality criteria which was advertised with the tender specification.

Having deliberated on this matter and being in support of the CIIU's recommendations

COMMITTEE RECOMMENDS:

That the City Manager ensures that the required remedial action is taken and provides the Municipal Public Accounts Committee with a status report, within two months, on the implementation of the City Integrity & Investigations Unit's recommendations with regard to INV508/03/2017: Allegations of Procurement Irregularities: Orange Refuse Bags: Durban Solid Waste.

ADOPTED.

1.3 INV073/10/2017: Alleged Irregular Expenditure: Water and Sanitation:

We were advised that this investigation pertained to irregular expenditure incurred and sought to establish whether the Unit was correct in deviating from the normal tender processes. We concluded that the two service providers, Company F and Company G, had a direct agreement to render hygiene cleaning services; however, the contract expired in 2015 and had not been renewed. It was also determined that there no contract files for the hygiene cleaning services had been found and only copies of an agreement between Company E and the Unit could be located. We also discovered that the agreement for hygiene cleaning services between the two service providers and the Unit was facilitated by the former Administration Manager, Person T who had retired in 2016. Moreover, Official Z who acted in the capacity as Administration Manager, we learnt, had not been co-operative during the investigation. Furthermore, Official V who compiled the report to regularise the irregular expenditure for the amount of R190,419.22 did not do a thorough investigation of the matter and failed to supply documents essential to finalise the CIIU investigation. We noted that disciplinary processes had been instituted against Official Z and Official V.

Having deliberated on this matter

COMMITTEE RECOMMENDS:

1.3.1 That the City Manager monitors the disciplinary processes against the two officials and provides the Municipal Public Accounts Committee with a report on the outcome of the implementation of the City Integrity & Investigations Unit's recommendations with regard to INV073/10/2017: Alleged Irregular Expenditure: Water and Sanitation.

1.3.2 That it be noted that a recommendation to Council on the write-off/recovery of the irregular expenditure would follow.

ADOPTED.

1.4 INV280/05/2016: Alleged Procurement Fraud and other SCM Irregularities in the appointment of a Contractor: Building of Low-Cost Houses in Umlazi:

We found that Company H had submitted a bid for this tender; however this company's bid had been rejected by the BAC from 2014 due to the inconsistencies in its financials and tax non-compliance. New members were appointed to the BAC in 2016 and at the first sitting of the new BAC, this matter was recommended for approval. We noted that the appointment letter to the company was for an award of R406 000 000 (Four Hundred and Six Million Rands); whilst the BAC recommendation indicated approval of R123 123 192.01 (One hundred and twenty-three million, one hundred twenty-three thousand, one hundred and ninety-two rand and one cent).

We learnt from the Auditor General South Africa (AGSA) that in 2014, the tender process through the Bid Adjudication Committee (BAC) and Bid Evaluation Committee (BEC) had been undertaken and a service provider had to be appointed. During that process, Company H submitted a bid. When a company submitted a bid, it needed to supply all relevant documentation, however, 3 (three) years later (2016), when the information was provided for Company H, it was not tax compliant. The company then converted to Company I which provided annual financial statements that were allegedly fabricated to indicate that they belonged to Company I which was registered in 2016; two years after the bid had been submitted by the Company H. The approval of the tender had been deferred by the Bid Adjudication Committee 5 (five) times and in April 2016 the bid was finally approved.

We were also informed that there was another case that CIU was investigating and it led to a search and seizure of Official M's office. Amongst the documents found, were bank statements for Company H who was a supplier on the City's database. We found that other service providers of the City were making regular payments into this supplier's bank account and there were personal expenses that belonged to the official that were paid from the Company H's bank account.

Having deliberated on this matter and being in support of CIU's recommendations

COMMITTEE RECOMMENDS:

That the City Manager ensures that the required remedial action is taken and provides the Municipal Public Accounts Committee with a status report, within two months, on the implementation of the City Integrity & Investigations Unit's recommendations with regard to INV280/05/2016: Alleged Procurement Fraud and other SCM Irregularities in the appointment of a Contractor: Building of Low-Cost Houses in Umlazi.

ADOPTED.

1.5 INV171/01/2018: Alleged Procurement Irregularities: Appointment of Service Providers: Water and Sanitation: R36.1 Million:

We were advised as follows in respect of this investigation pertaining to the delivery of 2100 Urine Diversion (UD) Toilets to disadvantaged communities:

- There were allegations that the Water and Sanitation Unit had paid R36.1 million for services which were not rendered by the three appointed service providers.
- Whilst verifying whether payments were made to the three services providers, it was established that there was a 4th service provider with whom a cession agreement had been signed by the three service providers.

- The 4th service provider, Company K received the major portion of the payment.
- Due to delays in finalising the SCM process in 2017, the Bid Adjudication Committee (BAC) recommended that the Unit utilise their existing panel of 12 service providers.
- The officials selected 3 service providers, Company L, Company M and Company N to do the work.
- No procurement process was followed; however, Company L, M and N received a payment of R2.5876 458.00 each. Company K received R28 363 884.22 in payment. However, no services were delivered.
- It was alleged that quotations had been received from the service providers; however, CIU was unable to locate these quotations. The service providers confirmed that they had not submitted any quotations but had been called by officials in connection with supplying UD Toilets; which was not their area of expertise.
- The explanation provided by the officials for the use of Section 36 was due to imminent price increases; with 2017 prices allegedly being secured for 2018. This was doubtful as there was no evidence of any quotations being received.
- An Individual TransUnion Check (ITC) was performed on Company K and it was found that the company was established in July 2017 and Person X was the sole proprietor. When questioned, Person X advised that she was not involved in the company and Person Y was responsible for running the company.
- Mr Y had advised that he would be able to obtain better prices for the City; however, it was found that a manufacturer engaged directly by the City supplied the UD Toilets at R9,600 per unit whereas the City was charged R18,300 by Company K.
- Fraud was committed when the Municipality processed payments to Company K, Company L, Company M and Company N in the amount of R36 126 257.24.
- There was insufficient validation conducted by Finance as they relied on information received from an official and this official, responsible for authorising the payment, was unable to provide any supporting documentation to CIU.
- It was further alleged that Company K only supplied an order of 2100 UD Toilets on 19th January 2018; whereas payment was made to the said company on 28th December 2017.

We were advised by the City Manager that the City's procurement processes had been tested and also protected those who made decisions. He added that a further layer of control for the Bid Committees included the Executive Acquisitions Committee (EAC) which verified the accuracy of BAC decisions and when he put his signature on a document, it was on the strength of the resolutions of the BAC and the EAC.

We noted that before a letter of award was issued, there was a 14-day appeal period and that whilst he had authorised the award on 12th December 2017; by the 30th December 2017 these companies had already been paid.

It is our belief that there were also some weaknesses in the payment processes because senior management would have to authorise the release of payments. We are convinced that this has been a well planned and executed crime and appropriate action should be taken against the officials involved.

Having deliberated on this matter and being in support of CIU's recommendations, in this regard

COMMITTEE RECOMMENDS:

That the City Manager ensures that the necessary remedial action is taken and provides the Municipal Public Accounts Committee with a status report, within two months, on the implementation of the City Integrity & Investigations Unit's recommendations with regard to INV171/01/2018: Alleged Procurement Irregularities: Appointment of Service Providers: Water and Sanitation: R36.1 Million.

ADOPTED.

1.6

INV003/07/2014 (A): Alleged Fruitless and Wasteful Expenditure: City Fleet Unit:

In examining the matter, we ascertained that the previous City Manager had requested Internal Audit to undertake a review and assessment of the process followed by Council in conducting a needs analysis prior to the purchase of fleet as well as the maximum utilisation of the existing fleet. However, we noted that arising from this exercise, it was clear that a full investigation had to be undertaken.

We received a brief presentation of the findings of this investigation which related to the number of vehicles purchased, the specifications, the lack of due diligence and the disregard of demand management principles as well as collusion by officials.

Having examined the findings, we ascertained this matter was far more extensive and could also amount to fiscal dumping where budgets not spent by the 4th quarter were used to purchase vehicles. Furthermore, these vehicles were not allocated to Units. We noted that once the investigation was underway, site inspections were conducted of the various depots and it was found that trucks had been hidden at these depots. In addition, Depot Managers advised that they had been instructed to keep the vehicles due to there being no space to park them. However, most of the vehicles were not used as there was no mileage on them. City Fleet had ordered trucks notwithstanding the complaints by line department users of the demo trucks and their suitability. An ex official of the municipality was the main person involved and while Person Z retired in 2003, he had been employed as a consultant thereafter. To exacerbate matters, we established that the Municipality was hiring some of machinery from a service provider when the same type of machinery had been purchased and was hidden away.

We feel much disquiet regarding the non-implementation of CIU's recommendations notwithstanding what appears to be tangible evidence of fraud. It is our view that the disciplinary process should have been expedited.

Having duly deliberated on this matter and being in support of CIU's recommendations

COMMITTEE RECOMMENDS:

That the City Manager ensures that the necessary remedial action is taken and provides the Municipal Public Accounts Committee with a status report, within two months, on the implementation of the City Integrity & Investigations Unit's recommendations with regard to INV003/07/2014 (A): Alleged Fruitless and Wasteful Expenditure: City Fleet Unit.

ADOPTED.

REPORT OF COMMITTEE DECISIONS

Decisions of Committees reflected below have been reported to Council by way of circulating minutes of such Committees to each Member of the Council:-

1. **EXECUTIVE COMMITTEE APPEALS AUTHORITY**

Meeting held on : 2019-10-29

2. **FINANCE, SECURITY AND EMERGENCY SERVICES COMMITTEE**

Meetings held on : 2019-10-25

3. **HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE**

Meetings held on : 2019-10-21

4. **LOCAL LABOUR FORUM: ECONOMIC DEVELOPMENT AND PLANNING CLUSTER**

Meeting held on : 2019-08-30

NOTED.

ITEMS FOR NOTING

The Items for Noting, reflected on Pages 34 to 40 of the Agenda were NOTED.

The meeting terminated at 14:55

CONFIRMED AT THE MEETING OF THE ETHEKWINI COUNCIL ON 2020-01-30

SPEAKER