

**No. 28**

# **MINUTES**

## **OF**

### **ETHEKWINI MUNICIPAL COUNCIL**

Meeting held on Friday, 2023-02-03, immediately after Special Council Meeting, streamed from Inkosi Albert Luthuli International Conventional Centre, Durban.

**PRESENT :** Councillors TE Nyawose (Speaker), TM Kaunda (Mayor), ZP Myeni (Deputy Mayor), A Abdul, J Annipen, AD Beesley, A Beetge, M Billy, T Biyela, JM Black, NJ Bollman, M Brauteseth, WJD Burne, MH Buthelezi, KPM Cele, SB Cele, SP Chebure, J Chetty, GD Clarivette, R Cloete, SV De Boer, Z Dzanibe, J Essop, BA Fortein, SN Gabela, GM Gasa, DM Gcabashe, FO Gcabashe, NBC Godlwana, R Gokool, G Govender, S Govender, Y Govender, SV Govender, BR Gumede, NC Gumede, S Gumede, BM Gwala, MS Gwala, GJ Hegter, MM Hlengwa, NP Hlomuka, SD Hlongwa, MF Ismail, LBS Jali, DM James, M Johnson, K Khambule, MN Khubisa, KNN Khubone, NL Khuzwayo, ZW Khuzwayo, SNC Khwela, A Kisson, BG Kubheka, V Kunju, CJ Laing, SW Lushaba, M Lutchen, WM Luthuli, ME Mabaso, MA Madlala, NI Madlala, SR Madlala, A Maharajh, RP Maharaj, S Maharaj, FN Majola, TG Makhanya, HS Makhathini, MW Manqele, JB Maphumulo, NJ Maphumulo, TZ Mathe, SH Mazibuko, WM Mazibuko, M Mbambo, KT Mbhele, RP Mbonambi, JL Mchunu, BA Mchunu, NP Mchunu, SW Mcineka, RL McKenzie, X Mdlazi, FW Mdletshe, SM Memela, SP Mfeka, K Mhlaba, SE Mhlongo, KV Mkhize, MA Mkhize, ME Mkhize, MP Mkhize, NN Mkhize, NA Mkhize, P Mkhize, SM Mkhize, TJ Mkhize, B Mkhwanazi, E Mngadi, BR Mngadi, DF Mngadi, S Mngadi, SV Mngadi, MR Mngonyama, TJ Mnguni, ZM Mncwango, BV Mngwengwe, PB Mnikathi, ZO Mnomiya, S Mnyandu, T Mohamed, T Miya, MB Mjadu, R Moses, ND Motseke, SB Mpanza, NP Msibi, LI Msomi, LG Mthembu, SSS Mthethwa, TD Mthethwa, TM Mthethwa, OB Mvubu, SK Mzimela, BD Naidoo, J Naidoo, V Ncukana, WP Ndiweni, NB Ndlela, MF Ndlovu, NS Ndlovu, PB Ndlovu, PC Ndlovu, V Ndlovu, SG Nene, TH Nene, SB Ngcongco, DB Ngubane, LE Nkomeni, MS Nkosi, DR Nowbuth, XM Nqweniso, DM Nsundwane, SH Ntombela, PC Ntshangase, BT Ntuli, PB Ntuli, N Ntuli, NZ Ntuli, B Nxumalo, MR Nxumalo, PH Nxumalo, NN Nyanisa, MV Nzimande-Madlala, AAK Paruk, BW Phewa, DT Pillay, GDA Pullan, A Rampersad, T Sabelo, S Sewshanker, A Shaheed, LP Shange, BH Shange, MG Shange, TE Shezi, HP Shozi, IM Shinga, JN Sibisi, KS Sibisi, N Sibiya, LC Sikhakhane, BSB Sindane, EL Singh, J Singh, PS Sishange, CN Sisoka, NI Sithole, BS Sivetye, EG Smith, AD Snyman, ZA Solomon, ZR Sokhabase, I Syed, ZN Tshazela, BB Thusi, M Thusi, ME Thusi, VG Reddy, NT Tyelinzima, JC Van den Berg, HM Van Der Ryst, NB Vilakazi, NI Webster, SM Windvogel, TV Xulu, T Xuma, NY Young, M Zondi, N Zondi, ON Mthembu -Zondi and TG Zungu.

**ABSENT :** Councillors F Ismail (Indisposed), MA Jokweni, MH Khan (Personal Commitments), RD Macpherson, PG Mavundla, GN Mhlongo, NM Mhlongo, AZ Mkhize, SR Moodley, NP Msomi (Indisposed), N Munien, AB Ndlovu (Personal Commitments), S Ngema, MM Ngiba, DR Pillay, P Pillay (Personal Commitments), S Singh (Personal Commitments) and GN Zondi (Indisposed).

AMAKHOSI

PRESENT : Inkosi EB Shozi.

AMAKHOSI

ABSENT : Inkosi S Mlaba and JJ Shangase.

OFFICIALS

PRESENT : Messrs/Mesdames S Mnguni (Acting City Manager), M Mhlongo (Head: Legal & Compliance), A Seheri (Head: City Administration & Secretariat); BM Mhlongo (Deputy Head: Office of the Speaker), V Mshengu (Acting Senior Manager: Secretariat), S Kunene (Manager: Council Committees) and SC Zondi (Chief Committee Officer).

---

(At the commencement of the meeting 195 Councillors were present, comprising ANC - 88, DA - 49, EFF - 24, IFP - 17, ASA - 03, ABC - 01, ACC - 01, ACDP - 01, AIC - 02, ADEC - 00, APF - 01, ATM - 01, AL JAMA-AH - 00, DLC - 00, JEP - 01, KZNI - 01, MF - 01, MOSA - 00, NFP - 01, PFP - 00, PRM - 01, TA- 00, UIM - 01 and VF Plus - 01).

---

*The Speaker advised that following engagement with Whips of Political Parties during today's Special Council meeting, it was resolved that Council would not deliberate on all items contained on the Ordinary Agenda of the day. As such, selected items were considered, with the selection now focusing mainly on compliance and statutory matters.*

---

(His Worship the Mayor, Councillor TM Kaunda had already tabled the Second Report of the Executive Committee during the adjourned Council meeting of 2023-01-31 of which this was now continuation of the items not concluded in January under the Second Report).

---

## **SECOND REPORT OF THE EXECUTIVE COMMITTEE**

(Meeting held 2023-01-30)

---

PRESENT : Executive Committee Members TM Kaunda (Mayor and Chairperson), A Beetge, Y Govender, NI Madlala, T Miya, TM Mthethwa, MS Nkosi, BT Ntuli, ZR Sokhabase and there being one (01) vacancy.

---

1. DRAFT ANNUAL REPORT FOR THE 2021/22 FINANCIAL YEAR. (11/1/1)

(Page 1)

As per the legislative requirement, the eThekweni Municipal Council is required to prepare the Annual Report at the end of every financial year which would detail the

performance of the Municipality against its strategic and operational plans, including budget performance during the implementation stage.

As per the Annual Report timelines, the Council is expected to note the draft Report in its January meeting, in preparation for the Annual Report to undergo the public participation process. The Municipal Public Accounts Committee also review the draft Report and subsequently make recommendations to the Council.

The targeted audience in terms of the public participation process include People with Disabilities, Traditional Leaders, Ward Committees, General Public, Civil Society and other Community-based Organisations.

During the 2021/2022 financial year, the eThekweni Municipality had endured several challenges, including the Covid-19 pandemic, July Civil Unrest, April/May floods and the resultant displaced people and damaged infrastructure, amongst the other consequences. It should be noted that the Annual Report comprises the Economic Recovery Plan which unpacks responses undertaken to deal with the challenges.

During this financial year, the eThekweni Municipality has managed to achieve the following:

- Received the Fulton Engineering Award for the construction of the Umhlathuzana Bridge and the Essex Terrace/M13 Bridge
- Developed SMART meters for both electricity and water
- Deployed Metro Police in crime hotspot areas,
- Attended to dilapidated building and made huge investments to catalytic projects
- Supported Small Micro and Medium Enterprise which were severely affected by the Covid-19,
- Provided 8213 water connections,
- Made 11 287 new sewer connections,
- 92,6% total water connections were metered,
- 68,6 indigent households were provided with free basic water
- 95% households were provided with basic level of refuse collection once a week.
- The City acquired 8069 hectares of land for subsidized housing,
- Issued 1224 title deeds for subsidized housing, and
- Surfaced 36 km of gravel road in various areas of the Municipality

The Committee welcomed the Annual Report and thereafter Members contributed their comments thereon. The EFF acknowledged that the Municipality had managed to secure large hectares of land but that there are delays in clearing the housing backlog. Also, that the issuing of title deeds is moving at a slow pace, to the dissatisfaction of the communities involved.

Speaking on the matter, the IFP emphasised the need to implement concrete plans to improve the lives of people. Appreciation was extended for the deployment of the Multi-Disciplinary Team to deal with escalated killing of Councillors and Officials. The IFP mentioning that this intervention would allow the Municipality to regain its good image which has been severely tarnished by these killings. Also, that the Municipality should ensure that criminality in the City is addressed to allow more businesses to invest in the Central Business District (CBD), hence a suggestion to install more CCTV cameras. The IFP also recommended that more concerted effort be made to maintain cleanliness within the City, and also find mechanisms

to deal with homeless people as part of improving safety for businesses and the people of eThekweni.

Meanwhile, the ANC commended the City Manager, Chief Financial Officer and the entire Administration of eThekweni Municipality for being able to achieve an unqualified audit and all efforts made towards the recovery following the triple disaster as outlined above. That the Administration has been working tirelessly to provide basic services in the midst of unanticipated rapid urbanization, with 25% increase in population in the past five years. It was encouraged that the Municipality's efforts should strive towards achieving clean audit.

The attention was drawn to the fact that there has been a change in the membership of the Multi-Disciplinary Teams due to slow movement, that this now incorporates particularly the National Prosecuting Authority (NPA), Hawks and other security clusters. Progress reports were to be provided accordingly on the actions of the Team.

The Durban International Convention Centre and the Durban Marine Theme Park were commended for achieving clean audit, taking into consideration the operational challenges endured due to the Covid-19 pandemic.

The Management commended the leadership of the City for creating a conducive environment hence the achievements being outlined. With regard to the title deeds, it was advised the processes in this regard are handled by the Deeds and Surveyor General's Offices. However, the Municipality was also making the necessary interventions, and that the Discount Benefit Scheme (DBS) is targeted to fastrack the issuing of title deeds with the assistance from the Title Deeds Accelerated Committee.

With the Executive Committee noting the annual report,

#### COMMITTEE RECOMMENDS:

- 1.1 That in terms of Section 121 of the Local Government: Municipal Finance Management Act 56 of 2003, Council notes the eThekweni Municipality Draft Annual Report for the 2021/2022 financial year, with the unaudited Annual Financial Statements and appendices as tabled.
- 1.2 That Council approves the commencement of the public consultation process, it being recorded that the Annual Report will undergo a public participation process through the Municipal Public Accounts Committee, once the Annual Report has been tabled to Council, after which the Oversight Report containing comments on the Annual Report and any changes made will be submitted to Council for final adoption.

**Speaking on the matter, the IFP mentioned that more efforts had to be made for all stakeholders to be part the public participation for the entire process to be credible.**

**The DA submitted that the Municipality had received an unqualified audit opinion from the Auditor General. They mentioned that some of the findings were repeated transgressions, reference being made amongst others; to failure by the Municipality to follow the Supply Chain Management processes; lack of implementation of consequence management; water losses and unverified Expanded Public Works Programme employees.**

Thereafter, the ANC mentioned that the unqualified audit opinion is an indication that the Municipality was in a stable position to provide public services. Mention being made that the management report would highlight challenges raised by the Auditor General, in this regard, Council would be required to play its oversight role to track process being made on the implementation of the recommendations from the Auditor General. It being also mentioned that systems were already in place to monitor Units and Departments in addressing the audit findings. It was reported that the Municipality has been able to achieve 95% collection rate, and that efforts were being made to increase revenue collection despite of the challenges being faced by the City.

Thereafter, the above recommendations of the Executive Committee where 1.1 was **NOTED** and 1.2 being; **ADOPTED**.

2. APPROVAL OF THE MUNICIPAL STANDARD CHART OF ACCOUNTS ROADMAP. (10/2/2)

(Page 12)

The Municipalities are required to adopt the Municipal Standard Chart of Accounts (MSCOA) roadmap in compliance with the MSCOA Regulations. The intention is to establish an Integrated Enterprise Resource Planning System. To this effect Circular 80 of the Local Government: Municipal Finance Management Act No. 56 of 2003 was issued to specify minimum business processes and systems requirements to ensure MSCOA compliance and address business process requirements across the entire Municipality's financial management accountability cycle. The Municipality is expected to be MSCOA compliant by December 2024.

The MSCOA roadmap needs adoption by the Municipal Council for subsequent submission to the National Treasury. The main components to integrate seamlessly with MSCOA include the following:

- (i) General Ledger;
- (ii) Billing;
- (iii) Supply Chain Management;
- (iv) Assets Management;
- (v) Inventory and Stores;
- (vi) Budgeting and Planning; and
- (vii) Human Resources and Payroll

The proposed MSCOA Roadmap is attached herein for ease of reference. It is anticipated that the MSCOA implementation will cost the Municipality approximately R500 000 000.00 (Five Hundred Million Rand). This cost estimate is based on the benchmarking and market analysis conducted on critical enterprise systems. It should also be noted that should the Municipality not comply with the MSCOA Regulations, National Treasury can withhold the Municipality's Equitable Share allocation. Also, the non-compliance will negatively impact on the audit opinion for the Municipality. The risks involved in terms of the MSCOA project timeframes have also been identified, and a schedule in this regard is attached herein for ease of reference.

During consideration, both the DA and the IFP expressed reservation on the required amount of R200 000 000.00 (Two Hundred Million Rands) for the integration of the Revenue Management System (RMS) and further queried the total amount that has been deposited into the operation of this system.

The DA further enquired on the intervention made by the City to ensure that there was value for money with regards to the system.

The ANC acknowledged that this roadmap would enable the Municipality to monitor progress being made towards complying with the MSCOA. It was reiterated that this would allow the Municipality to retain its grant funding from the National Treasury. A proposal was then made to workshop this process for the Committee to understand what the roadmap entails, cognisance being taken that achieving the necessary compliance requirements was compulsory.

The concerns raised with regard to the RMS were noted and Management undertook to explore a system which could replace the RMS at a reasonable cost.

Thereafter the DA (03) and the IFP (01) abstained on the matter until the workshop on the MSCOA Roadmap is conducted. With the ANC (04) and the EFF (01) being in support, considering the legislative requirements associated therewith,

**COMMITTEE RECOMMENDS:**

- 2.1 That, as per the legislative requirement, the eThekweni Municipal Council approves the Municipal Standard Chart of Accounts (mSCOA) Roadmap for the eThekweni Municipality, details of which are contained in the schedule attached herein, and with the intention to implement an Integrated Enterprise Resource Planning System and to ensure the Municipality compliance with the MSCOA Regulations.
- 2.2 That Council notes the final implementation date of December 2024 for the full mSCOA compliance.
- 2.3 That Council notes the project constraints/ risks in terms of project timeframes, as outlined in the schedule attached herein.
- 2.4 That Council approves the cost implications of R500 Million associated with the implementation of the roadmap, as outlined in the table below, and it being noted that Council will be updated on further costs upon the completion of the gathering process underway.

The table below indicates the funding requirements for each module/subsystem:

<b>Systems (Modules)</b>	<b>Estimated Costs/Budget</b>	<b>Status</b>
Revenue Management System (Including all required integrations)	R200 Million	CIC Approved the Revenue Management System on the 25 <sup>th</sup> May 2022.
Human Capital Management (HCM) including Time and Attendance	R140 Million	Costs estimates were obtained through one OEM based on the functionality and MSCOA requirements set out from business. For implementation of the new HCM system there is a need to acquire budget.

Systems (Modules)	Estimated Costs/Budget	Status
Asset Management System	R60 Million	For the implementation of the asset management module the project team is awaiting funds Midterm budget adjustment. Market analysis is also to be performed to ensure implementation costs are comparative to the market before decision can be made.
Internal Audit System	R100 Million	Funding will be required for implementation of the system.
BI Reporting Tool		Assessment of the existing BI tools is currently taking place, utilization of the current tool will require license costs. However, if the existing BI does not meet the requirements assessments of other BI tools will be required. Funding will be required for licenses and /or implementation.
Biometrics		Time and attendance is also dependent on the completion of Biometrics project. There was a cut of on Biometrics of R17 Million due to Covid-19 financial contracts and based on that more funding will be required.
<b>Total Estimated Cost</b>	<b>R500 Million</b>	

**REFERENCE BACK**

**In terms of Rule of Order Bylaw 20(1)(c), Councillor MS Nkosi, seconded by Councillor J Annipen both of IFP, moved as a procedural motion that the above recommendations of the Executive Committee be referred back to the Finance, Security & Emergency Services Committee for further consideration.**

**NOT CARRIED**

**As some Councillors were not in support of the reference back, the matter was put to the vote. With 195 Councillors present, 75 Councillors (DA - 49; IFP – 17; Action SA - 03; ABC – 1; ACC – 01; ACDP – 01; MF – 01, UIM- 01 and VF Plus – 01)) voted in favour of the reference back and 120 Councillors (ANC – 88, EFF – 24; AIC– 2; APF -01, ATM -01, JEP -01; KZNI -01, NFP -01 and PRM - 01) voted against the reference back. There were no abstentions.**

**The above-mentioned motion to refer back was, by the majority vote, NOT CARRIED.**

**Discussions reverted back to the substantive matter; and the IFP mentioned that the matter had to be referred back to the Committee as there were unresolved challenges with the Revenue Management System (RMS), including all required integrations and the Municipal billing system.**

**The DA submitted that exorbitant funds had been invested on the RMS system despite the system failure, reference being made to discrepancies on the customer bill statements. They mentioned that a comprehensive report in terms of the total expenditure to date, relative to the purchase, maintenance of the system etc was required. On this basis, they abstained on the matter.**

Meanwhile, the EFF mentioned that a workshop had to be arranged for Councillors to be taken through the RMS system so that Council would be able to determine whether value for money has been achieved. In this regard, they were in support of the recommendations.

Thereafter, the ANC pleaded with Councillors to consider the report, and cited that there were compliance issues in terms of the MSCOA roadmap which needed to be urgently adhered to. They were also in support of the workshop being organised for Councillors. It being cited that the MSCOA roadmap was part of the process of resolving some of the findings arising from the Auditor General’s Report.

As some Councillors were not in support of the recommendations of the Executive Committee, the matter was put to the vote. With 194 Councillors present, 119 Councillors (ANC – 88, EFF – 24; AIC– 1; APF -01, ATM -01, JEP -01; KZNI -01, NFP -01 and PRM - 01) voted in favour of the recommendations; 19 Councillors (IFP – 17, ACDP – 01 and UIM - 01) voted against the recommendations. 56 Councillors (DA- 49, Action SA – 03, ABC- 01, ACC -01, MF – 01 and VF Plus – 01) abstained on the matter.

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

3. SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN QUARTERLY REPORTING - 31 DECEMBER 2022 (2/10/1/9)

(Page 60)

During consideration of this item, the DA; EFF; and the IFP abstained in noting this item due to the Reports included on the Agenda regarded as illegible. The ANC thereafter noted the item as per the statutory requirement,

Accordingly,

COMMITTEE RECOMMENDS:

That Council notes the Service Delivery and Budget Implementation Plan Report for Quarter 2 of the 2022/2023 financial year, submitted in line with Section 52 (d) of the Municipal Finance Management Act (MFMA) No. 56 of 2003 and MFMA Circular No 13, which Report reflects an overall unaudited achievement of 65.55% for eThekweni Municipality; and the Municipal Entities, Inkosi Albert Luthuli International Convention Centre recording 77.78 achievement, with Ushaka Marine World recording 55.56%, and the breakdown for eThekweni Municipality is detailed in the table below:

Plan Number	Plan Name	Achievement Rate (%)
Plan 1	Develop and Sustain our Spatial, Natural and Built Environment	91.67%
Plan 2	Developing a Prosperous, Diverse Economy and Employment Creation	75.00%



<b>Plan Number</b>	<b>Plan Name</b>	<b>Achievement Rate (%)</b>
Plan 3A	Creating a Quality Living Environment	66.67%
Plan 3B	Creating a Quality Living Environment	36.00%
Plan 3C	Creating a Quality Living Environment	12.50%
Plan 4A	Fostering a Socially Equitable Environment	75.00%
Plan 4B	Fostering a Socially Equitable Environment	42.86%
Plan 5	Supporting Design, Human Capital Development and Management	64.71%
Plan 6A	A vibrant and creative city - the foundation for sustainability and social cohesion	75.00%
Plan 6B	Stadia Facilities Unit	75.00%
Plan 6C	Agro-Ecology	66.67%
Plan 7A	Good Governance and Responsive Local Government	53.33%
Plan 7B	Good Governance and Responsive Local Government	80.00%
Plan 7C	Good Governance and Responsive Local Government	100.00%
Plan 8	Financially Accountable and Sustainable City	84.38%
<b>Overall Achievement</b>		<b>65.55%</b>

Summary of KPIs Per Entity:

<b>Plan Number</b>	<b>Plan Name</b>	<b>Achievement Rate (%)</b>
Plan 21	ICC	77.78%
Plan 22	Ushaka	55.56%

**Speaking on the matter, the IFP firstly congratulated the newly elected Councillor Myeni as the Deputy Mayor and Councillor Sishange as the Whip of Council. Thereafter, mention was made that the SDBIP targets had to be realistic, the IFP was of the opinion that the targets being set do not complement each other with regards to service delivery.**

**His Worship the Mayor mentioned that the Municipality would continue to work tirelessly in order to achieve all set targets.**

**Thereafter, the above recommendations of the Executive Committee were; **NOTED.****

4. MID-TERM AMENDMENTS TO THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN OF THE 2022/2023 FINANCIAL YEAR. (2/10/1/9)

(Page 112)

During consideration of this item, the DA; EFF; and the IFP abstained in noting this item due to the Reports included on the Agenda regarded as illegible. The ANC thereafter noted the item as per the statutory requirement.

Accordingly,

COMMITTEE RECOMMENDS:

That Council notes proposed mid-term amendments to the Service Delivery and Budget Implementation Plan which will subsequently result in amendments to the Integrated Development Plan (IDP), and also notes the public participation process linked to the amendment of the IDP, to allow a period of twenty one (21) days to enable public to make representations with regard to the proposed amendments, in line with the provisions of Section 3.4(b) of the Local Government: Municipal Planning and Performance Management Regulations, 2001.

**NOTED.**

5. MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT: 31 DECEMBER 2022. (7/1/4)

(Page 161)

During consideration of the Report, concerns were raised surrounding the revenue collection which, according to some Members, this seemed to be moving at a slow pace. That there should be plans incorporating actual implementation dates to resolve such issues. Some Members raised concerns on the issues of unread meters, water and electricity losses. Members sought a turnaround strategy that will ensure that matters were actioned accordingly and implement proper controls to:

- Enable businesses to pay for services,
- Implement the process of installing prepaid SMART meters in RDP houses;
- Discard the usage of stand pipes within informal settlements,
- Engaging government departments to take charge of their historic debts.

Members acknowledged the improvement being observed within the Metro Police Unit and that similar interventions should be made towards resolving issues of the EPWP and the Security Management Unit.

With regard to the government departments debts, Members were advised of the payment arrangements entered into with some and that it is anticipated that collection rate will increase by 90%. That progress report will be submitted to the Executive Committee in this regard.

Mention was also made that the Water and Sanitation Unit was in the process of completing the procurement process for the installation of domestic meters, with an award expected by March 2023. That this would allow the Unit to deal with issues of unread meters. Also, that a satellite leak detection system was underway.

On this basis,

COMMITTEE RECOMMENDS:

- 5.1 That the Budget Statement report for the month ended 2022-12-31 and the supporting documents, submitted by the City Manager as per his report dated 2023-01-23, in compliance with Section 71 of the Municipal Finance Management Act 56 of 2003 and in terms of Government Notice 32141 dated 17 April 2009, relating to the “Local Government: Municipal Finance Management Act 2003, the Municipal Budget and Reporting Regulations”, be noted.
- 5.2 That Council notes the Section 52(d) quarterly report on the implementation of the budget and the financial affairs for the Municipality and its Entities.
- 5.3 That Council notes Section 72 mid-year budget and performance of the Municipal Finance Management Act No. 56 of 2003.
- 5.4 That in accordance with Section 28 of the Municipal Finance Management Act and in compliance with the Regulations 23 of the Municipal Budget and Reporting Regulations, and adjustments budget be prepared and submitted to Council.
- 5.5 That in compliance with Section 32(2) of the Municipal Finance Management Act, Council notes the Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIFW) incurred for the month of December 2022 as detailed on section 10 in the report of the City Manager dated 2023-01-23.

**Speaking on the matter, the DA mentioned that the Municipal overall performance had deteriorated. They cited that water losses, irregular expenditure had increased, also that monies owed by Parastals and Government Departments had not been recovered sufficiently.**

**Thereafter, His Worship the Mayor took the opportunity to congratulate the newly appointed Deputy Mayor, Councillor ZP Myeni and the Whip of Council, Councillor PS Sishange. He then mentioned that there were ongoing plans to address the Auditor General’s findings, reference being made amongst others to procurement and projects plans. It was also reported that the infrastructure that was damaged a result of the April floods were still being attended to, indication being that the Municipality was still awaiting additional grant funding from the Provincial Government.**

**Thereafter, the above recommendations of the Executive Committee were;  
NOTED.**

6. RE-APPOINTMENT OF ZIBAMBELE POVERTY ALLEVIATION PROGRAMME BENEFICIARIES (4/3/5/3)

(Laid on Table)

The Zibambele Programme is an Expanded Public Works Programme aligned to the Poverty Alleviation Programme which creates work opportunities within the eThekweni Municipality and focusing on low order road network. Beneficiaries from

low-income households are selected and employed through Ward structures to carry out minor road maintenance and cleansing functions.

The Roads and Stormwater Maintenance Department seeks authority to re-employ the Zibambele beneficiaries, whose contracts ended 31 December 2022. This would entail the re-employment of seven thousand three hundred (7 300) beneficiaries for a period of eighteen (18) months with effect from 01 February 2023 to 31 July 2024.

Authority is also sought to deviate from the previous Council decision, which reads as follows:

- (i) That beneficiaries be limited to a maximum period of two (02) years (two one year fixed-term contracts), which will allow other deserving families the opportunity to benefit from the Programme.
- (ii) That the cut off age of beneficiaries be limited to sixty-four (64) in an effort to reduce the health risk to Council and provide the opportunity to meet the target of employment to youth, which is set at 55% for the EPWP.

Re-employing the beneficiaries will ensure sustainability and consistency in the Programme, it being noted that the Department requires appropriate time to implement the exit strategy. The 18-month extension would enable the Department to finalise the exit strategy.

The current status is that all roads sections that were maintained under the Zibambele Programme are currently not maintained, subject to the Council approval to extend the Programme.

During consideration of the matter, the significance of the Zibambele Programme was acknowledged. However, Members emphasised that a proper monitoring mechanism should be in place as well as exercising transparency in implementing the Programme. That a detailed Report be submitted to account for the beneficiaries engaged under the EPWP, Public Employment Programme (PEP) and Zibambele Programme.

The Committee noted that the Zibambele Programme plays a significant role in roads cleaning and maintenance, although issues of concerns surrounding the Programme also need to be addressed.

The DA abstained at this stage and, with the ANC, EFF and the IFP being in support,

**COMMITTEE RECOMMENDS:**

- 6.1 That approval be given for the Roads and Stormwater Maintenance Department to deviate from the Council decision dated 2019-12-12, in order to re-engage a number of seven thousand three hundred (7 300) beneficiaries under the Zibambele Programme, focusing on low order road network maintenance and cleanliness, it being recorded that the previous Council decision to deviate from reads as follows:
- (i) That beneficiaries be limited to a maximum period of two (02) years (two one year fixed-term contracts), which will allow other deserving families the opportunity to benefit from the Programme.
  - (ii) That the cut off age of beneficiaries be limited to sixty-four (64) in an effort to reduce the health risk to Council and provide the opportunity to meet the target of employment to youth, which is set at 55% for the EPWP.

- 6.2 That, subject to .1 above, Council approves to re-engage the previous Zibambele participants, whose contracts expired 31 December 2022, to continue with their duties on site, with effect from 01 February 2023 to 31 July 2024.
- 6.3 That the relevant Ward structures be consulted in relation to beneficiaries per Ward.

**Financial Implications:**

Current Budget for 7 000 Participants

Below is the available budget for this programme and it is funded by eThekweni Municipality through its operational budget and not through EPWP incentive grant:

	<b>No. of Participants</b>	<b>Stipend 2023</b>	<b>Monthly</b>	<b>Feb 23 to June 2023</b>
Beneficiary	6,820	1,215.36	8,288,755.20	41,443,776.00
Overseers	155	5,256.24	814,717.20	4,073,586.00
<b>Total</b>	<b>6,975</b>		<b>9,103,472.40</b>	<b>45,517,362.00</b>

Financial Year 2023/2024:

	<b>No. of Participants</b>	<b>Stipend 2024 (Estimate 4.5% Increment)</b>	<b>Monthly</b>	<b>Jul 23 to June 2024</b>
Beneficiary	6,820	1,270.05	8,661,749.18	103,940,990.21
Overseers	155	5,492.77	851,379.47	10,216,553.69
<b>Total</b>	<b>6,975</b>		<b>9,513,128.66</b>	<b>114,157,543.90</b>

Budget is currently provided for by the Roads and Stormwater Maintenance operational budget, it being recorded that 6 975 beneficiaries were engaged as at 31 December 2022, even though the standing approval is to engage 7 300 beneficiaries under this Programme.

**MOTION TO AMEND**

**In terms of Rule of Order Bylaw 20(4), Councillor M Brauteseth, seconded by Councillor WJD Burne, moved as a procedural motion to amend the above recommendations by the addition of the following:**

- “6.1 (i) That beneficiaries be limited to six months of fixed-term contracts; and**
- 6.2 That, subject to .1 above, Council approves to re-engage the previous Zibambele participants, whose contracts expired 31 December 2022, to continue with their duties on site, with effect from 01 February 2023 to 31 July 2023.”**

**NOT CARRIED**

**As some Councillors were not in support of the Motion to Amend, the matter was put to the vote. With 188 Councillors present, 51 Councillors (DA - 49; MF – 01 and VF Plus - 01) voted in favour of the amendment and 137 Councillors (ANC – 86, EFF – 21; IFP -17; Action SA - 03; ABC – 1; AIC– 1;ACC – 00; ACDP – 2; APF -01, JEP -01; KZNI -01, NFP -01, PRM - 01 and UIM - 01) voted against the amendment. There were no abstentions recorded.**

**The abovementioned Motion to Amend was, by the majority voted, NOT CARRIED**

Discussion thereafter reverted to the substantive matter where the DA maintained that the Municipality should amend the contract period for beneficiaries to six (06) months. They submitted that there were inconsistencies within the Zibambele programme and that the entire programme had to be investigated in terms of its operations and on what it was designed to achieve.

Thereafter, the IFP emphasised that beneficiaries had to be allocated in terms of the current Ward demarcation.

As some Councillors were not in support of the recommendations of the Executive Committee, the matter was put to the vote. With 187 Councillors present, 135 Councillors (ANC – 86, EFF – 21; IFP -17; Action SA - 03; ABC – 0; AIC– 1; ACC – 00; ACDP – 2; APF -01, JEP -01; KZNI -01, NFP -01 and PRM – 01) voted in favour of the recommendations; 51 Councillors (DA - 49; MF – 01 and UIM - 01) voted against the recommendations, with 01 VF Plus Councillor abstaining on the matter.

The above recommendations of the Executive Committee, were by the majority vote, **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. **ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE**

Meeting held on : 2022-11-17

2. **EXECUTIVE COMMITTEE**

Meetings held on : 2022-11-15  
: 2022-11-22  
: 2022-11-29  
: 2022-12-06  
: 2022-12-08

3. **GOVERNANCE AND HUMAN RESOURCES COMMITTEE**

Meeting held on : 2022-11-23

4. **HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE**

Meetings held on : 2022-11-08  
: 2022-11-24

5. LOCAL LABOUR FORUM: ECONOMIC DEVELOPMENT AND PLANNING

Meeting held on : 2022-11-23

6. LOCAL LABOUR FORUM: ECONOMIC DEVELOPMENT AND PLANNING

Meeting held on : 2022-11-23

7. SPEAKER'S COMMITTEE

Meeting held on : 2022-10-25

8. TOWN PLANNING APPEAL COMMITTEE

Meeting held on : 2022-12-01

---

**ITEMS FOR NOTING**

**The Items for Noting, reflected on Pages 19 to 40 of the Agenda, pertaining to the items discussed and resolved at the Executive Committee level during the month of November and December 2022 were, **NOTED.****

---

The meeting terminated at 22h04.

ADOPTED AT THE MEETING OF THE ETHEKWINI COUNCIL ON 2023-02-28.

SPEAKER