



**COUNCIL DECISION CIRCULAR : MEETING HELD ON 2024-03-26.**

TO ALL DEPUTY CITY MANAGERS AND HEADS:

Attached please find decisions adopted by the Council at its meeting held on 2024-03-26.

Deputy City Managers and Heads are kindly requested to facilitate implementation of the decisions impacting their Clusters and Units within the applicable timeframes.

Kindly note that the word "**ADOPTED**" marked in bold at the end of the recommendation confirms that the item has been approved by Council and is ready for implementation. Other relevant status will be reflected at the end of the recommendation to indicate the position taken by Council on a particular item.

Should further information be required on any item on the Council agenda, kindly contact:

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1. **FIRST REPORT OF THE EXECUTIVE COMMITTEE: MEETING HELD ON TUESDAY, 2024-03-18**

1. **REPORT OF THE SECURITY AND EMERGENCY COMMITTEE: MEETING HELD: 2024-03-13.**

(Page R1)

1.1 **Review of Tariffs for the Disaster Management & Emergency Control Unit for the 2024/2025 Financial Year (7/6/1/2):**  
(Page 58: Security and Emergency Committee - Agenda 2024-03-13)

The Municipal Units, on an annual basis, and, as per the legislative requirements, are permitted to review the tariffs impacting their operational activities thereby achieving business continuity and sustainability. The Disaster Management & Emergency Control Unit has also reviewed its tariffs taking into consideration factors affecting its operations.

Authority is therefore sought to approve, in-principle and subject to a public participation process, a 5% increase in tariffs for the FIRE0090CC, which relate to a fee payable by a Requester of the CCTV footages, and for leasing the CCTV masts to cellular companies. The increase once approved will be implemented with effect from 01 July 2024.

At the Executive Committee level, the DA, EFF, and the IFP abstained at this stage. The other Political Parties present gave an in-principle support, on the understanding that the proposed increase is still to be subjected to a public participation process.

Accordingly,

COMMITTEE RECOMMENDS:

1.1.1 That the Council resolves to approve in-principle, and subject to a public consultation process, a 5% increase in tariffs proposed by the Disaster Management & Emergency Control Unit, as per the provisions of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and which tariffs are levied with respect to a fee payable by a Requester for the CCTV footages, and, for leasing the CCTV masts by cellular companies, and the proposed increase, upon final approval, to be implemented with effect from 01 July 2024.

1.1.2 That upon the Council granting final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**With the IFP abstaining, the recommendations were by majority, ADOPTED.**

1.2

Request for Authority for the City Manager to Enter into a New Memorandum of Agreement Between the eThekweni Municipality and the City People eThekweni Non-Profit Company (28/1/4):

(Page 64: Security and Emergency Committee - Agenda 2024-03-13)

Authority is sought for the City Manager to enter into a new Memorandum of Agreement (MoA) with the City People eThekweni Non-Profit Company, which serves as a Special Purpose Vehicle (SPV) to undertake homelessness programme and related social ills. It should be noted that the previous MoA expired end September 2023. The new MoA will include a three-year Business Plan and funding thereof. Authority is therefore sought to also approve the three-year Homelessness Business Plan and grant funding allocation to the SPV City People eThekweni Non-Profit Company (NPC).

Plan 4 of the Integrated Development Plan, focuses on the promotion of healthy, safe and secure environments for the eThekweni citizens, and, this is by no means excluding homeless community. The attention is drawn to post 2016 Homeless Study and the subsequent key actions arising therefrom and implemented as follows:

- Development of the Social Development Strategy;
- Establishment of Drop-In-Centres;
- Implementation of Qalakabusha Programme;
- Homelessness and Shelters Learning Exchange; and
- Shape Durban Conference.

The engagements held in 2018 with various stakeholders on homelessness resulted in the adoption of the following resolutions:

- (a) Establishment of the Special Purpose Vehicle (SPV) to address homelessness and related social ills, and this was approved by the Council on 2019-05-29;
- (b) Establishment of the Homeless Task Team;
- (c) Identification of Council-owned properties to be repurposed as shelters, safe sleeping spaces and Drop-In-Centres; and
- (d) The development of the Homeless Programme Business Plan

The objectives of the SPV-NPC include:

- To source funding for the implementation of projects and programmes linked to homelessness and related social ills in eThekweni;
- To facilitate partnerships with critical stakeholders from government, private sector, academia and Not-for-Profit organisations;
- To support work of the Non-Government Organisations to deliver programmes and projects linked to homelessness and related social challenges;
- To accept and manage resources, as a custodian for the provision of services to the homeless; and
- To enable activation of Homelessness Reduction Strategies.

It was then reported that the Council approval in 2019 to allocate the SPV an amount of R6.5 million for a 3-year period was later reduced to R1.5 million due to financial constraints. In accordance with the terms and conditions of the MoA entered into in this regard, first payment of R500 000.00 (Five Hundred Thousand Rand) was due for disbursement in July 2021.

However, due to technical delays the MoA was only signed in September 2021 and the grant funding disbursed to the City People eThekweni in June 2022. As a result, some of the planned programmes and projects were delayed and, accordingly, some had to be reviewed.

In an effort to proceed with the implementation of the planned programmes outlined in the 2020-2023 Business Plan, the Municipality is required to enter into a new three-year MoA. This will provide a legal framework within which to disburse a total amount of R1 500 000 (One Million Five Hundred Thousand Rand) for 3 years, out of which, an amount of R500 000.00 (Five Hundred Thousand Rand) to be allocated per financial year, with effect from the 2024-25 financial year.

It should be noted that at the Support Committee level, the DA, proposed deferral of this item to allow for a further interrogation and review where applicable. One of the aspects cited is reference to an estimated number of sixteen thousand (16 000) homeless people, as per the Point-in-Time Homeless Survey conducted in June 2022. It being recorded that this number might have increased by now after the impact of the Covid-19 pandemic. Therefore, it was considered imperative for the Committee to satisfy itself of the accuracy of the homeless people statistics for the programme to be effectively implemented by the City eThekweni NPC.

However, some of the Councillors at the Support Committee level were not in support of the deferral. Therefore, the matter was put to the vote. The DA-6 voted in favour of the deferment and the ANC, EFF, ACDP, IFP PRM and the UIM (11) voted against, and therefore the deferment not being carried.

Upon consideration at the Executive Committee level, the Committee affirmed the narration of the Support Committee regarding the Council approving funding in 2018 and the delays in implementing some of the programmes. The DA then requested a close-out report to establish the usage of the previous grant funding allocated; achievements thereon; as well as areas needing improvements. It being also pointed out that there were no operational Municipal rehabilitation facilities.

With regard to the close-out report, confirmation was given that the Report submitted to the Support Committee was detailed enough, also comprising expenditure breakdown over the past years. That this Report would be circulated accordingly for information purposes. The Committee was then informed of the outcome of dedicate research and consultations undertaken, which resulted in the identification of various Municipal properties for use as safe Sleeping Spaces/Shelters for the homeless people. These included Strollers in Mansel Road; Block AK at Fynn Street; Old Tropicale in Albert Park, whereas Bellhaven Memorial Hall on 491 First Avenue was identified as a Drop-In-Centre for Harm Reduction. Furthermore, the YMCA Building in Charlotte Maxeke Street and Sakhithemba in Illovo were earmarked as step-down shelters.

Information being further given that the First National Bank allocated funds to the private property development company, the Urban Lime, to undertake renovations at Strollers which were completed in December 2019 to accommodate homeless women and children. However, in the same year, a non-commercial call for expression of interest was advertised through the SCM process for an NGO to manage Strollers on behalf of the Municipality, for which a non-award was declared as all bidders were not able to independently fund operational costs of the Strollers facility without any financial support from the Municipality, and which costs were calculated to be in the region of R1 million per annum.

In providing further background, it was reported that in 2020, the Municipality managed and operated thirteen (13) homeless shelters as an emergency Covid-19 response, and accommodating more than two thousand (2 000) homeless during the Covid-19mLockdown period, and with the costs implications ranging above R50 million. Therefore, it was submitted that the MoA between the Municipality and the SPV City People eThekweni NPC presents a strategic long-term intervention to drastically reduce the costs related to the homeless programmes and projects, since the SPV will have an opportunity to raise donor funding for some of the projects.

Also, that the Homeless Task Team will be resuscitated and the process of acquiring land identified for the purpose of building a Safe Sleeping Spaces for the homeless will be expedited. It being further mentioned that the MoA under discussion will be unpacked further at the Support Committee level to achieve a broader understanding of the implications and outcomes associated therewith.

Following detailed report provided on this matter, the Committee supported the recommendation of the Committee, with the exception of the DA recording its abstention.

Accordingly,

**COMMITTEE RECOMMENDS:**

- 1.2.1 That the Committee notes the expiry of the three-year Memorandum of Agreement between the eThekweni Municipality and the Special Purpose Vehicle called the City People eThekweni Non-Profit Company, which ended 22 September 2023.
- 1.2.2 That, in view of .1 above, and the importance to continue with the homeless programmes and related social ills projects, authority be granted for the City Manager to enter into a new three-year Memorandum of Agreement (MoA) with the Special Purpose Vehicle (SPV), the City People eThekweni Non-Profit Company (NPC) to mitigate the impact of homelessness amongst the marginalized groups.
- 1.2.3 That subject to the approval of .2 above, the Safer Cities Unit be mandated to prepare a three-year Homeless Business Plan linked to the MoA, in view of the 2020-23 Business Plan having already expired.
- 1.2.4 That subject to the approval of .2 and .3 above, authority be granted for the Deputy City Manager: Finance, in line with the requirements of Section 67 of the Local Government: Municipal Finance Management Act No. 56 of 2003, to allocate grant funding in the total amount of R1 500 000 (One Million Five Hundred Thousand Rand) to implement the programmes and projects to be outlined over the three-year period, in line with the Homeless Business Plan, with the funding breakdown as follows:

<b>Financial Year</b>	<b>Amount</b>	<b>Vote</b>
2024/2025	R500 000	24511.1095.12020. 0000.MRC01.001
2025/2026	R500 000	24511.1095.12020. 0000.MRC01.001
2026/2027	R500 000	24511.1095.12020. 0000.MRC01.001
<b>Total</b>	<b>R1 500 000</b>	

**FC: SC – FY202324/002**

- 1.2.5 That it be noted that in the event of the Municipal building or property being leased to the City People eThekweni NPC, the Municipality will be responsible for the maintenance and the repairs of the said property.

**Recommendation 1.2.1 was NOTED, recommendations 1.2.2, 1.2.3 and 1.2.4 were ADOPTED and recommendation 1.2.5 NOTED.**

2. REPORT OF THE COMMUNITY SERVICES COMMITTEE: MEETING HELD: 2024-03-14.

(Page R5)

- 2.1 Review of Stadia and Facilities Unit Tariffs for the 2024-25 Financial Year (7/6/1/2):  
(Page111 Community Services Committee Agenda 2024-03-14)

As per the provisions of the legislation, the tariffs applicable to the Stadia and Facilities Unit are due for an annual review. Following consideration, and taking into consideration factors impacting the operational activities of the Unit, it is proposed to increase the tariffs payable by 5%, and, upon approval, to be implemented with effect from 01 July 2024.

At the Support Committee level, the DA, EFF, IFP and the ActionSA abstained on this matter. The Parties as represented in the Executive Committee also abstained, and with the other Political Parties present granting an in-principle approval, on the understanding that the proposed tariffs increase is still to undergo a public participation process, prior to giving a final approval for implementation purposes.

Accordingly,

COMMITTEE RECOMMENDS:

- 2.1.1 That the Council resolves to approve in-principle, and subject to a public consultation process, a 5% increase in tariffs proposed by the Stadia and Facilities Unit, as per the provisions of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and the proposed increase, upon final approval, to be implemented with effect from 01 July 2024.
- 2.1.2 That upon the Council granting final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**The recommendations were by majority vote, ADOPTED.**

2.2 Review of the Parks, Recreation & Culture Unit Tariffs for the 2024-25 Financial Year (7/6/1/2):  
(Page 145 Community Services Committee Agenda 2024-03-14)

As per the legislative provisions to review the tariffs applicable to the Municipal Units, the Parks, Recreation and Culture, after careful consideration, is proposing a 5% increase on tariffs levied on its operations. The tariffs, once approved, will be implemented with effect from 01 July 2024.

At the Support Committee level, the DA, EFF and the Action SA abstained on this matter. The Executive Committee received a similar abstention from Parties represented thereat. With the other Political Parties present giving an in-principle support, subject to a public participation process, accordingly,

COMMITTEE RECOMMENDS:

2.2.1 That the Council resolves to approve in-principle, and subject to a public consultation process, a 5% increase in tariffs proposed by the Parks, Recreation and Culture Unit, as per the provisions of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and the proposed increase, upon final approval, to be implemented with effect from 01 July 2024.

2.2.2 That upon the Council granting final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**The recommendations were by majority vote, ADOPTED.**

2.3 Review of the Health Unit Tariffs for the 2024-25 Financial Year (7/6/1/2):  
(Page L116 Community Services Committee Agenda 2024-03-14)

The Health Unit, as empowered by the legislation, is also reviewing its tariffs to ensure sustainability of its operations. The Unit is proposing a 5% increase on its tariffs levied for its operations.

Once again, the DA, EFF and the IFP abstained at both the Support and the Executive Committee level, and with the abstention of the ActionSA being recorded at the Support Committee level. The other Political Parties present at the Executive Committee gave an in-principle support of the proposed increase, with an understanding that a final approval in this regard will be granted after a public participation process.

Accordingly,

COMMITTEE RECOMMENDS:

2.3.1 That the Council resolves to approve in-principle, and subject to a public consultation process, a 5% increase in tariffs proposed by the Health Unit, as per the provisions of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and the proposed increase, upon final approval, to be implemented with effect from 01 July 2024.

2.3.2 That upon the Council granting final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**The recommendations were by majority vote, ADOPTED.**

**DIRECT EXCO REPORTS**

3. **NOMINATION OF PANEL MEMBERS TO CONDUCT THE 2022/2023 PERFORMANCE ASSESSMENT OF THE CITY MANAGER, CHIEF OPERATIONS OFFICER AND THE DEPUTY CITY MANAGERS (4/6/2)**

(Page 1)

Regulation 27(4)(d) of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, stipulates the constitution of a panel to conduct the annual performance assessment of the City Manager; Chief Operations Officer; and the Managers directly accountable to Municipal Managers.

In terms of the Regulations, the panel is constituted as per the categories outlined in the table below:

<b>Municipal Manager Panel</b>	<b>Managers Directly Accountable to Municipal Manager Panel</b>
Mayor	Municipal Manager
Chairperson of the Audit Committee	Chairperson of the Audit Committee
Member of the Executive Committee	Member of the Executive Committee
Mayor from another Municipality	Municipal Manager from another Municipality
Member of a Ward Committee as nominated by the Mayor	

Based on the legal opinion provided in relation to the correct process to be followed to nominate panel members as per the categories outlined in the table above, the Executive Committee corrected the erroneous past process where nominations have been undertaken outside the scope of the Committee. It was therefore agreed to deal with the nominations within the Committee forthwith.

His Worship the Mayor then facilitated the nomination process where Political Parties nominated members and submitted motivations accordingly. The voting process was also undertaken, and, members nominated and finally agreed to through the support of the majority vote.

Accordingly,

**COMMITTEE RECOMMENDS:**

3.1 That, the Council approves, as reflected in the table below, a panel of members appointed in line with the provisions of Regulation 27(4)(d) of the Local Government: Municipal Performance Regulations, to conduct the annual performance assessment of the City Manager, with respect to the 2022-23 financial year:

<b>Category</b>	<b>Panel Member</b>
Mayor	Councillor TM Kaunda
Chairperson of the Audit Committee	Mr S Shabalala
Member of the Executive Committee	Councillor NI Madlala
Mayor from Msunduzi Municipality	Councillor M Thebolla



Category	Panel Member
Member of the Ward Committee nominated by the Mayor	The Executive Committee resolved to mandate the Speaker, Councillor TE Nyawose to nominate a Ward Committee member to form part of the panel

- 3.2 That, the Council approves, as reflected in the table below, a panel of members appointed in line with the provisions of Regulation 27(4)(d) of the Local Government: Municipal Performance Regulations, to conduct the annual performance assessment of the Managers directly accountable to the City Manager, with respect to the 2022-23 financial year:

Category	Panel Member
Municipal Manager	Mr TB Mbhele
Chairperson of the Audit Committee	Mr S Shabalala
Member of the Executive Committee	Councillor NI Madlala
Municipal Manager of Ray Nkonyeni Local Municipality	Mr K Zulu

**The recommendations were by majority vote, ADOPTED.**

4. REQUEST FOR AUTHORITY TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE MAYORS MIGRATION COUNCIL TO SUPPORT HOMELESS PEOPLE THROUGH ESTABLISHMENT AND MPLEMENTATION OF KARIBU COMMUNITY CENTRE AND CARE PORTAL (28/1/4)

(Page 85)

The eThekweni Municipality is one of the recipient of the Mayors Migration Council (MMC) Global Cities Fund which focuses on projects targeting migrants; refugees; and internally displaced people, including homeless, especially those who are affected by climate-related risks and disaster, such as global pandemics. The MMC is a Mayor-led coalition that accelerates ambitious global action on migration and displacement to create a world where urban migrants; displaced people and receiving communities can thrive. The focus on eThekweni is the establishment of Karibu (*translated "You're Welcome"*) Community CARE Centre in Albert Park, and the eThekweni CARE Portal, at no cost to the Municipality.

The programme is aimed at achieving the outcomes reflected below:

- (a) **Outcome 1**  
To ensure migrants, refugees and internally displaced people have access to basic amenities such as food; shelter; water and sanitation; social services such as legal support; employment opportunities; and disaster risk reduction and post-disaster assistance.
- (b) **Outcome 2**  
To support migrants, refugees and internally displaced people to generate income and assets through economic opportunities provided through the Integrated Community CARE Centre.

(c) **Outcome 3**

To ensure the impact of floods is reduced due to improved waste management in eThekweni.

(d) **Outcome 4**

To ensure migrants and refugees have access to one healthy and nutritious meal per day during disaster and non-disaster periods.

Phase 1 of the establishment of the Community Care Centre is progressing well and the intention is to launch this in April 2024. A number of three (03) containers which form part of the project infrastructure have been delivered and refurbished. The CARE Portal is also being developed in partnership with Microsoft. Community engagements have also been held in preparation to launch the programme.

The project implementation requires the signing of a Memorandum of Understanding (MoU) to describe terms and condition of partnership between the MMC; eThekweni Municipality and the City People eThekweni NPC. The project will be managed financially by the City People eThekweni.

The collaborations required to achieve the desired outcomes are strengthened relationship amongst the relevant eThekweni Municipality internal departments; eThekweni Municipality and private sector; and the eThekweni Municipality and the civil society. The consultation process has already been conducted and this presented an opportunity to educate and create awareness to migrants and refugees. Partners have also joined the efforts and invested resources to drive initiatives thus expanding the resource capacity initially offered through grant funding.

During discussions, the Executive Committee welcomed this great initiative to address the issue of homelessness within the City of eThekweni. However, reservations were expressed regarding the lack of law enforcement which was then viewed to be a contributing factor to a challenge of ever-increasing number of homeless people. It being emphasized that control measures should be intensified to ensure successful implementation of this programme. This view was then noted, and with the Committee being informed also of a proposal submitted to the Department of Home Affairs to amend its Regulations thereby creating flexibility for the Municipality to track and locate immigrant to access support within the facility as established.

With regard to financial implications, it was learnt that internal resources will be required for the operating and future maintenance costs of the Centre. That these costs should be quantified accordingly to then communicate the overall costs implications associated with the establishment and implementation of the facility. However, the attention was also drawn to greater benefits as a result of the implementation of this programme and thus a need to source funding required accordingly.

With the Committee being in support, and members having made further recommendations to achieve effective operations of the facility,

**COMMITTEE RECOMMENDS:**

4.1

That, based on the value to be derived and the need for concerted efforts to address plight of people experiencing homelessness, the Council notes progress made to implement the Mayors Migration Council eThekweni Care Project, to be implemented through a Special Purpose Vehicle, City People eThekweni Non-Profit Company, and supported by private sector and organized civil society, with a view to achieving the following objectives:

- (a) To provide access to opportunities for migrants, refugees and internally displaced people;
- (b) To provide access to selected basic services for migrants, refugees and internally displaced people;
- (c) To achieve potential reduction in the number of internally displaced people; and
- (d) To achieve potential improvement in safety and security within the Municipality

4.2 That, to give effect to the implementation of the Karibu Community CARE Centre in Albert Park, and the eThekweni CARE Portal, authority be granted for the City Manager to enter into a Memorandum of Understanding between the eThekweni Municipality and the Mayors Migration Council to determine terms and conditions of partnership as well as the implementation of the Global Cities Fund for this purpose.

**ADOPTED.**

5. FINAL ADOPTION OF MID-YEAR AMENDMENTS TO THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN FOR THE 2023/2024 FINANCIAL YEAR (2/10/1/1/9)

(Page 95)

As per the statutory requirements, the eThekweni Municipality adopted the Service Delivery and Budget Implementation Plan (SDBIP) for implementation in the 2023-24 financial year, The legislation makes provision to amend the adopted plan thereby revising targets according to sound latest developments applicable in selected plans. However, such amendments should be subjected to a public participation process prior to implementation.

Accordingly, the Council approved the commencement of the public participation process, which has since been concluded. There have been no comments received from the public in this regard. The amendments are therefore officially tabled for final adoption, it being recorded that such amendments will also impact the Council-approved Integrated Development Plan 2023-24.

The DA and the IFP abstained on this matter at this stage, and with the DA citing the difficulty experienced to interrogate the document due to it be regarded as totally illegible. The other Political Parties present supported the amendments. It was also recommended that improvements be effected to use a font that promotes readability of the document.

Accordingly,

COMMITTEE RECOMMENDS:

5.1 That Council notes that, in line with the requirements of Section 3(4)(b) of the Local Government: Municipal Planning and Performance Management Regulations of 2001, the proposed amendments to the 2023-24 Service Delivery and Budget Implementation Plan (SDBIP) have been subjected to a 22-day public participation process, and there have been no comments received from the public in this regard.

- 5.2 That in view of .1 above, and in line with the requirements of Section 54(c) of the Local Government: Municipal Finance Management Act No. 56 of 2003, the Council approves the mid-year amendments to the SDBIP, it being recorded that the amendments will also inform changes into the Council-approved Integrated Development Plan.

**With the DA abstaining, the recommendations were by majority, ADOPTED.**

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2. **SECOND REPORT OF THE EXECUTIVE COMMITTEE: MEETING HELD ON FRIDAY, 2024-03-22**

1. **REPORT OF THE FINANCE COMMITTEE: MEETING HELD 2024-03-20.**

(Page R1)

- 1.1 **Public Tender Awards of the eThekweni Municipality for the Month Ended: 31 January 2024 (9/1/3):**  
(Page 119: Finance Committee - Agenda 2024-03-20)

With the Committee having noted that an amount of R492 699 347.00 (Four Hundred and Ninety-Two Million Six Hundred and Ninety-Nine Thousand Three Hundred and Forty-Seven Rand) was the total value of tenders issued during the month of January 2024,

COMMITTEE RECOMMENDS:

- 1.1.1 That the public tender awards by the City for the month of January 2024, inclusive of awards made in terms of Section 36 of the Supply Chain Management Regulations, as contained in the report by the Acting Head: Supply Chain Management dated 2024-02-08, be noted.
- 1.1.2 That it be noted that where information is available for Wards and registration numbers, it is included in the report, as information used to compile the report is taken from submissions made by the Units.
- 1.1.3 That the Finance Committee calls for additional information on individual awards, where it deems appropriate and necessary to play its oversight role.
- 1.1.4 That the City Manager reserves the right to investigate the awards with a view to taking disciplinary, criminal and recovery actions where wilful and negligent violation of Supply Chain Management Policies and Local Government: Municipal Finance Management Act No. 56 of 2003 provisions are observed.
- 1.1.5 That the City Manager shall table a report to the Committee relative to the disciplinary, criminal and recovery actions taken, it being recorded that the City Manager can only respond when the reports are available.

**NOTED.**

1.2 Approval of Public Participation Process for the draft eThekweni Municipality 2024/2025 Draft Indigent Policy (7/2/P):  
(Page 155: Finance Committee - Agenda 2024-03-20)

Authority is sought for approval of amendments to the existing Indigent Policy for implementation in the 2024/2025 financial year. The strategic objective is to comply with the provisions of the Local Government: Municipal Systems Act No. 32 of 2000, (LG: MSA), Section 74 (2) (c) which provides that “Poor households must have access to at least basic services through:

- (i) Tariffs that cover only operating and maintenance costs,
- (ii) Special tariffs or lifeline tariffs for low levels of use or consumption of services or for basic levels of services, or
- (iii) Any other direct or indirect method of subsidization of tariffs for poor households.

In addition, the LG: MSA, Section 74 (3) and 75 (2) of stipulates that, “A tariff policy may differentiate between different categories of users/debtors, as long as the differentiation does not amount to unfair discrimination”. Any amendments to a budget related Policy must accompany the annual budget when it is table in terms of Section 16 of the Local Government: Municipal Finance Management Act No. 56 of 2003 (LG: MFMA). Therefore, the approval of the Indigent Policy is required to enable the policy document to support the annual budget for 2024/2025 financial year, when it is tabled in terms of Section 16 of LG: MFMA.

Accordingly,

COMMITTEE RECOMMENDS:

1.2.1 That Council approves the proposed amendments to the existing Indigent Policy for implementation in the 2024/2025 financial year, as outlined in the report of the City Manager dated 2024-03-11, which amendments relate to the following, it being recorded that a rationale for the amendment under each aspect is outlined in detail in the Report of the City Manager:

**A. Clause 6: Criteria for Indigent Support to Households:**

Due to the review of the Policy, the following amendments in the Policy are envisaged:

**Clause 6.1.4: General Criteria:**

- (b) After the death of a registered indigent:
  - (i) ....
  - (ii) Criteria in respect of ongoing rates relief shall be informed by the Rates Policy.

Nothing, however, precludes a deceased spouse **or legal occupier of the property** from applying for indigent support in their own name during the remainder of the municipal financial year.

*[Rationale for change: To consider applicants who are legal occupants of the property belonging to the deceased]*

1.2.2 That subject to the adoption of .1 above, and in order to ensure compliance with the Local Government: Municipal Systems Act No. 32 of 2000, Council approves the

Draft Indigent Policy 2024/2025, attached as Annexure “A” in the report of the City Manager dated 2024-03-11.

**ADOPTED.**

- 1.3 Draft eThekweni Municipality: 2024/2025 Credit Control and Debt Collection Policy (7/6/3/P):  
(Page 187: Finance Committee - Agenda 2024-03-20)

Authority is sought to approve in-principle, and subject to a public participation process, the revised Credit Control and Debt Collection Policy for implementation in the 2024/2025 financial year. Any amendments to a budget related Policy, such as the Credit Control and Debt Collection Policy must accompany the annual budget when it is tabled in terms of Section 16 of the Local Government: Municipal Finance Management Act No. 56 of 2003.

The strategic objective is to comply with the provisions of the Local Government: Municipal Systems Act No. 32 of 2000, (LG: MSA), Section 96 which provides that a Municipality:

- (i) Must collect all money that is due and payable to it, subject to this Act and any other applicable legislation, and
- (ii) Adopt, maintain, and implement a Credit Control and Debt Collection Policy that is consistent with its rates and tariff policies and complies with provision of this Act.

This statutory obligation to adopt and maintain a Credit Control and Debt Collection Policy also entails a regular review of the Policy. Section 99 of the LG: MSA prescribes that such review must be to improve efficiency of the Credit Control and Debt Collection mechanisms, processes, and procedures.

Therefore,

COMMITTEE RECOMMENDS:

- 1.3.1 That Council approves proposed amendments to the existing Credit Control and Debt Collection Policy for implementation in the 2024/2025 financial year, as outlined in the report of the City Manager dated 2024-03-11, which amendments relate to the following, it being recorded that a rationale for the amendment under each aspect is outlined in detail in the Report of the City Manager:

**A. Clause 3: Deposits**

Due to the review of the Policy, the following amendments in the Policy are envisaged:

- (i) **Clause 3.1.2:** All organs of state should budget to pay a Deposit equivalent to at least 3 months estimated municipal service charges, when making application for a Municipal service.

*[**Rationale for change:** The last sentence is moved to Clause 3.1.12, for inclusion purposes]*

- (ii) **New Clause 3.1.12: The CFO or an authorised official may exclude a Category of Owners from payment of Deposits.**

*[**Rationale for change:** Refer to comment above]*

**B. Clause 7: Payments in full and final settlement**

**Clause 7.3:** An offer of negotiated payment of debt in full and final settlement, when such payment is less than the outstanding debt will only be accepted upon a written confirmation by the CFO or authorised official. This may only occur **upon receiving and assessing the written representation from the debtor and full affordability assessment conducted.**

*[Rationale for change: To streamline administrative process for smooth operation]*

**C. Clause 9: Interest and Administrative Charges:**

**Clause 9.7:** Interest may only be reversed under the following circumstances:

- (a)
- (b)
- (c)
- (d)
- (e)
- (f) **Where a customer offers a payment in full and final settlement of the entire outstanding debt.**

*[Rationale for change: To provide needed relief to customers who commit to settle their outstanding debt in full]*

**D. Clause 19: Meter Readings and Estimations:**

**New Clause 19.4:** The Municipality may reverse and/or adjust any consumption raised and charged into the customer's account erroneously. This may also be done in conjunction with Clause 9.7 of this Policy.

*[Rationale for change: To redress issues of incorrect or errors in calculation of services consumption]*

**E. Clause 23: Credit Authorities in respect of Arrears in terms of Section 57or 58 of the Magistrates' Courts Act:**

- (i) **Clause 23.5:** Where an account is registered in the name of the tenant, a valid lease agreement and a consent by the property owner must be produced and the Municipality must record these documents before the Credit Authority is concluded.

*[Rationale for change: To streamline administrative process for work efficiency]*

- (ii) **Clause 23.10:** A Credit Authority may **not** be granted where-
  - (a) arrears have arisen due to direct debit reversals;

*[Rationale for change: The reference made to a dishonoured cheque is redundant, as the use of cheques ceased to exist]*

- (iii) **Clause 23.12** The amount of the down payment and the period of the Credit Authority shall be as follows:
  - (a) **Residential and Non-Profit Organisation customers may be required to make a down payment of 25% of the total debt over negotiated twenty-four (24) months;**  
or
  - (b) **Business customers may be required to make a down payment of 50% of the total debt over negotiated twenty-four (24) months; or**
  - (c) **At a discretion of the CFO or authorised official.**

*[Rationale for change: To transparency outline the requirements for the Credit Agreement entered into between the Municipality and debtors/customers]*

**F. Clause 25: Refunds:**

- (ix) **Clause 25.1.1** On application and subject to all the Customer's accounts being fully paid,  
(a) .....; or  
(b) To the owner; or  
(c) Unless otherwise directed by an order of Court.

*[**Rationale for change:** Removal of Clause 25.1.1(c) due to the risk posed by attorneys claiming refunds without the knowledge of the customer – account holder]*

**G. Clause 31: Business Rescue ad Insolvency:**

- (ix) **Clause 31.1.1** Where in terms of the Companies Act; 2008 as amended...  
[Mxolisi.Nkosi@durban.gov.za](mailto:Mxolisi.Nkosi@durban.gov.za)

*[**Rationale for change:** Replacing the name as Logan Pillay has since retired]*

- 1.3.2 That subject to the approval of .1 above, and in compliance with Section 96 of the Local Government: Municipal Systems Act No. 32 of 2000, Council approves the Draft Credit Control and Debt Collection Policy for implementation in the 2024/2025 financial year, which policy is attached as Annexure "A" to the report of the City Manager dated 2024-03-11.

**With the IFP abstaining the recommendations were by majority,  
ADOPTED.**

- 1.4 Investments Report for the Month Ended: 29 February 2024 (7/11/4):  
(Page 280: Finance Committee - Agenda 2024-03-20)

The Committee noted the Municipal funds invested in different financial institutions are recorded to amount to R7 915 586 000.00 (Seven Billion Nine Hundred and Fifteen Million Five Hundred and Eighty-Six Thousand Rand), at an average rate of return on investments of 9.08%.

Also, that the Municipality has an overdraft facility of R682 000 000.00 (Six Hundred and Eight Two Million Rand) and unutilised Capital and Operational Grants as at end February 2024 was reported to be R2 032 000 000.00 (Two Billion and Thirty-Two Million Rand). It being further noted that days cash on hand sat at 43 (forty-three) days, excluding grants.

Thereafter,

**COMMITTEE RECOMMENDS:**

That the report on investments for the eThekweni Municipality as at 2024-02-29, which records the total funds invested in financial institutions as R7 915 586 000.00 (Seven Billion Nine Hundred and Fifteen Million Five Hundred and Eighty Six Thousand Rand), at an average rate of return on investment of 9.08%, as submitted by the City Manager, in line with the requirements of the Municipal Cash Management and Investment Regulation of the Local Government: Municipal Finance Management Act No. 56 of 2003, be noted.

**NOTED.**



1.5 Implementation of Debt Payment Relief for the Period of Four (04) Months (7/6/3/1):  
(Page 286: Finance Committee - Agenda 2024-03-20)

Approval is sought, in terms of Local Government: Municipal Finance Management Act No. 56 of 2003 (LG: MFMA) read together with the eThekweni Municipality Credit Control and Debt Collection Policy 2023/2024 to provide debt relief to account holders in arrears up to 31 July 2024. The strategic intent of this report is to reduce the ballooning debt and to provide interim relief to all customers in arrears, with specific attention to the Non-Profit organisations, the indigent, deceased estates, and those affected by economic hardships, guided by the policy framework. That in terms of Section 96 of the Local Government: Municipal Systems Act No. 32 of 2000, the Municipality is obliged to collect all monies that are due to it. In addition, Section 64 of the LG: MFMA provides the following with regard to:

*“64 Revenue management*

*The accounting officer of a municipality is responsible for the management of the revenue of the municipality. The accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure-*

- (g) *that the municipality charges interest on arrears, except where the council has granted exemptions in accordance with its budget-related policies and within a prescribed framework; and ... “*

It will be recalled that as a response to the economic hardships over the past three (03) years which had negative impact to customers due to reduced salaries, loss of jobs and damages to properties, the Council took a resolution to provide payment relief to customers of eThekweni Municipality. The payment relief for three (03) months were approved by Council in their meeting of September 2023, starting from 01 October to 31 December 2023 with the following conditions: -

1. Customers that are 90 days in arrears to sign a payment arrangement with 5% down payment for residential customers and 10% for non-residential customers excluding government departments/institutions and parastatals.
2. Interest accumulated to be written off once the payment arrangement has been entered into.
3. All interest written-off to be reinstated where a customer default on this payment plan with the city; and
4. Existing customers on a payment plan to be afforded an opportunity to take part in this incentive as a once-off offering, such customers will have to make a similar payment as stipulated above.
5. The Municipality to enter into a payment plan with all customers taking part in this relief scheme and the balance of the outstanding debt over a maximum period of 36 months with no interest added.
6. When a customer signs an arrangement for the following periods a certain percentage of capital debt to be written off at the end of the payment arrangement, on condition that the customer doesn't fall into arrears within a period of 12 months from the liquidation of the debt:

- 6.1 1-3 months : 15% of capital debt to be written off.
  - 6.2 4-6 months : 10% of capital debt to be written off.
  - 6.3 5-12 months : 7,5% of capital debt to be written off.
  - 6.4 13-18 months : 5% of capital debt to be written off.
  - 6.5 19-24 months : 2,5% of capital debt to be written off.
  - 6.6 Above 24 months: 0% of capital debt to be written off
7. Non-Profit organisations (Old age and disabled homes, Mental hospitals, ECD Centres, etc.) be granted a 50% capital debt write off once the payment arrangement has been entered into;
8. Water loss insurance customers – that all customers who had submitted claims for water leaks but were paid by the insurance only part of the amount claimed – the difference (capital debt) between the amount claimed, average monthly consumption and the amount paid by the insurance be written off

The outcome of the debt relief program is as follows:

Capital amount entered into payment arrangement	R1,117,103,315.18
Down payment received	R 112,057,568.00
Total debt written	R126,711,681.40

It being noted that for the three (03) months of the arrangement, approximately fifteen thousand nine hundred and ninety-two (15 992) customers entered into the payment arrangement, and the total capital sum signed for was over R1 Billion and R112 Million was received as down payment over the three (03) months period. The number of customers who participated in the debt relief program for the period 01 October till 31 December 2023 is more than double the number of customers who had participated in the debt relief program previously.

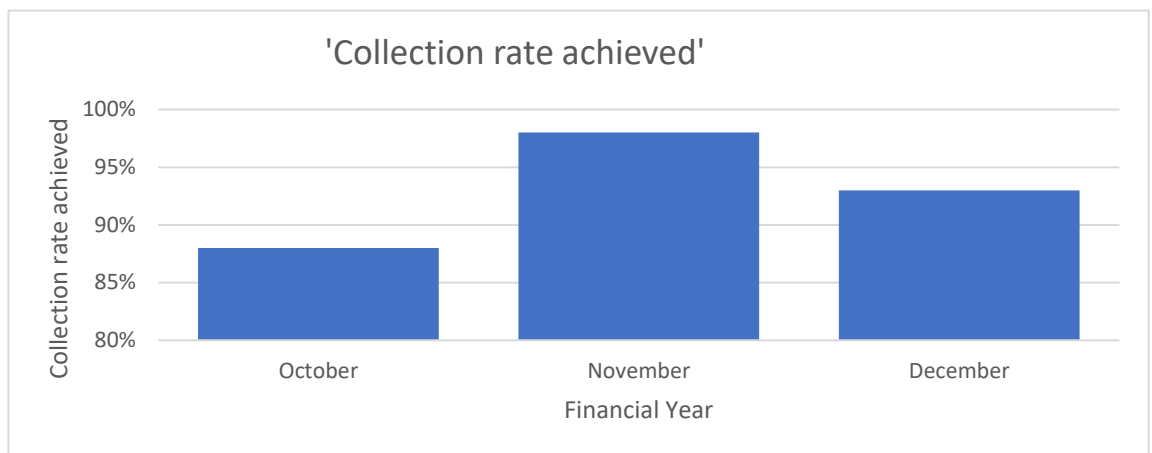
Although the debt relief showed some positive results, however due to the limited time of the debt relief and the relief running during the festive season, some people were not able to take advantage of the relief which resulted in the Debt Relief not fully achieving the intended outcomes.

The debt relief was run at a time when the Municipality had challenges with meter reading contract and customers had to sign the debt relief on estimated bills. It was only after the debt relief period had ended that the Municipality was able to read meters. The subsequent meter reading resulted in high current consumption which then resulted in customers not being able to maintain the arrangements made on amounts to be paid and the current consumption. The correction of the technical error of 6kl of water to customers who did not qualify, affecting more than 49 000 customers resulted in high current charges and customers who had taken the debt relief defaulted due to not being able to maintain current and arranged amounts.

Therefore, a need exists for the Council to reconsider the Debt Relief Program, as the termination of the debt relief has caused an outcry and many customers have requested for the relief to be extended. The material economic conditions within the eThekweni Metro have slightly improved, but the debt relief program remains relevant and valid. The subsequent events after the debt relief (meter reading, reinstatement of 6kl write-off) have caused a major setback in terms of achieving the goals of the debt relief. The debt relief was done during a busy period and some customers did not get a chance to participate, hence the Municipality will include an awareness campaign,

should the relief be extended to ensure all customers are afforded the opportunity to take advantage of the programme. Due to time and system constraints, the debt relief could not be extended to water loss insurance customers as was intended in the previous debt relief.

The decline in the economy and rising cost of living continues to put a strain on commercial and household customers, making it difficult to repay debts. Additionally, high unemployment rates are impacting on household incomes and their ability to pay. Due to economic pressures several Non-Profit organisations have seen a huge drop in donor funding to a point where they are barely affording to pay for their operational costs, and thus struggling to keep up with Council charges. The collection rate has improved in the three (03) months after the introduction of the debt relief and improvements are noted in the following months after the debt relief as customers continue to pay to honour their arrangements.



On consideration of many queries received from customers on the lapse of the relief in December 2023, several customers have approached the administration, requesting for the extension and/or another debt relief. The debt relief will also assist in resolving the sharp increase in the debtors' book as a result of the 6kl back charge. The debt relief will also assist the Council to write off irrecoverable debt from deceased estates older than eighteen (18) months.

With the Committee being in support,

**COMMITTEE RECOMMENDS:**

- 1.5.1 That Council approves the proposed Debt Payment Relief Programme, in terms of the Local Government: Municipal Finance Management No. 56 of 2003, read together with the eThekweni Municipality Credit Control and Debt Collection Policy 2023/2024, to provide debt relief to account holders in arrears up to 31 July 2024, and the new debt payment relief will be based on the following:
  - 1.5.1.1 Customers that are 90 days in arrears are allowed to sign a payment arrangement with 0% down payment for Non-Profit Organisations, 5% for residential customers & small business/SMMEs and 10% for non-residential customers, excluding government departments/institutions and parastatals;
  - 1.5.1.2 Interest accumulated to be written-off once the payment arrangement has been entered into;

- 1.5.1.3 All interest written-off to be reinstated where a customer default on this payment plan with the Municipality;
- 1.5.1.4 Existing customers on the payment plan to be afforded an opportunity to take part in this incentive, such customers will have to make a similar payment as stipulated above;
- 1.5.1.5 The Municipality to enter into a payment plan with all customers taking part in this relief scheme and the balance of the outstanding debt over a maximum period of thirty six (36) months with no interest added;
- 1.5.1.6 When a customer signs an arrangement for the following periods a certain percentage of capital debt to be written-off at the end of the payment arrangement, on condition that the customer does not fall into arrears within a period of twelve (12) months from the liquidation of the debt;
- 1.5.1.7 Non-Profit Organisations (NPO) (Old Age and Disabled Homes, Mental Hospitals, Places of Worship, ECD Centres, etc.) be granted a 50% capital debt write-off once the payment arrangement has been entered into;
- 1.5.1.8 Capital write-off for Residential and Non-residential customers (including bulk customers):
- 1 - 3 months: 15% of capital debt to be written-off
  - 4 - 6 months: 10% of capital debt to be written-off
  - 5 - 12 months: 7.5% of capital debt to be written-off
  - 13 - 18 months: 5% of capital debt to be written-off
  - 19 - 24 months: 2.5% of capital debt to be written-off
  - Above 24 months: 0% of capital debt to be written-off
- 1.5.1.9 Water loss insurance customers – that all customers who had submitted claims for water leaks but were paid by the Insurance only part of the amount claimed - the difference (capital debt) between the amount claimed, average monthly consumption and the amount paid by the insurance be written-off;
- 1.5.1.10 That the Council approves reversal of interest and the capital debt write-off on all transactions relating to this debt relief programme; and
- 1.5.1.11 That the Debt Relief Programme will commence from 01 April to 31 July 2024.

**Financial Implications:**

1. If Council approves the proposal all interest and a percentage of capital debt as per signed agreement on customer accounts that participate in the relief scheme will be written-off.
2. The determination of the actual amounts to be written-off can only be determined on the lapse of the signed agreements by customers. As per previous relief to date, an amount of R126 711 681.40 (One Hundred and Twenty-Six Million Seven Hundred and Eleven Thousand Six Hundred and Eighty-One Rand and Forty Cent) has been the subject of interest and capital write-off.

**ADOPTED.**

1.6 Public Tender Awards of the eThekweni Municipality for the Month Ended:  
29 February 2024 (9/1/3):  
(Page 329: Finance Committee - Agenda 2024-03-20)

The Committee noted that the amount of R1 243 748 480,02 (One Billion Two Hundred and Forty-Three Million Seven Hundred and Forty-Eight Thousand Four Hundred and Eighty Rand and Two Cents) was the total value of tenders issued during the month of February 2024.

Accordingly,

COMMITTEE RECOMMENDS:

- 1.6.1 That the public tender awards by the City for the month of February 2024, inclusive of awards made in terms of Section 36 of the Supply Chain Management Regulations, as contained in the report by the Acting Head: Supply Chain Management dated 2024-03-08 be noted.
- 1.6.2 That it be noted that where information is available for Wards and registration numbers, it is included in the report, as information used to compile the report is taken from submissions made by the Units.
- 1.6.3 That the Finance Committee calls for additional information on individual awards, where it deems appropriate and necessary to play its oversight role.
- 1.6.4 That the City Manager reserves the right to investigate the awards with a view to taking disciplinary, criminal and recovery actions where wilful and negligent violation of Supply Chain Management Policies and Municipal Finance Management Act provisions are observed.
- 1.6.5 That the City Manager shall table a report to the Committee relative to the disciplinary, criminal and recovery actions taken, it being recorded that the City Manager can only respond when the reports are available.

**NOTED.**

1.7 Budget Statement Report for the Month Ended 29 February 2024 (7/1/4):  
(Page 360: Finance Committee - Agenda 2024-03-20)

The Committee noted that the actual operating revenue of 98% of the budget with a variance of -2% and the revenue generated to date was 67,3%.

The actual operational expenditure was reported as a percentage of year-to-date budget at 93% with a variance of -7%; the operating expenditure spent to date was 60,9%. The reported capital expenditure was 92% of the year-to-date budget with a variance of -8% and the capital expenditure spent to date was 31,5%. A cash collection of 93% as at February 2024 was reported higher when compared to the same period the previous year (92,2%).

Thereafter,

COMMITTEE RECOMMENDS:

- 1.7.1 That the Budget Statement report for the month ended 2024-02-29 and the supporting documents, submitted by the City Manager as per his report dated 2024-03-19, 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.

1.7.2 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 February 2024 as detailed on section 10 of the Budget Statement Report.

1.7.3 That Council refers the UIFW referred to in .2 above to the Municipal Public Accounts Committee (MPAC) for investigation into the recovery or write-off of the said expenditure in terms of Section 32(2)(b) of the Local Government: Municipal Finance Management Act No. 56 of 2003 and request MPAC to report back to Council on the outcome of its investigations.

**NOTED.**

2. REPORT OF THE GOVERNANCE AND HUMAN RESOURCES COMMITTEE:  
MEETING HELD 2024-03-20.

(Page R9)

2.1 Approval of Fees Payable in the 2024-25 Financial Year to Access the Municipal Records Under the Promotion of Access to Information Act (2/4/R):  
(Page 51: Governance and Human Resources Committee - Agenda 2024-03-20)

Authority is sought to approve fees to be payable in the 2024-25 financial year to access the Municipal records under the Promotion of Access to Information Act (PAIA) No. 2 of 2000. The PAIA gives effect to the constitutional right to access information, as provided for under Section 32 of the Constitution of the Republic of South Africa.

In terms of Section 15(3); 22(1); and 22(7) of the PAIA, provision is made for fees to be payable by a Requester of information and these being categorised as follows:

- Request Fee;
- Access Fee; and
- Reproduction Fee

Section 22(8) of the PAIA makes provision to exempt certain parties from paying fees to access information. This includes individuals requesting to access their personal information. The fees payable to access information from public and private bodies are determined by the Minister of Justice and Constitutional Development, as per the powers vested in terms of Section 92 of the PAIA. The Minister, on 27 August 2021, and in terms of the Government Gazette Notice No. 45057 published the PAIA Regulations, including the fees payable to access information. These fees remain unchanged to date. It is therefore imperative for the Council to officially approve the implementation of the same fees in the 2024-25 financial year.

At the Support Committee level, the DA and the EFF abstained on the matter. With the majority of the Political Parties present being in support. At the Executive Committee level, the DA maintained its abstention on the matter and, with the other Political Parties present being in support,

COMMITTEE RECOMMENDS:

That the Executive Committee resolves to recommend to the Municipal Council to officially adopt the prescribed fees payable by Requesters, under the Promotion of Access to Information Act (PAIA) No. 2 of 2000, to access the Municipal records, and with the fees having been determined by the Minister of Justice and Constitutional Development as per the powers vested in terms of Section 92 of the PAIA, and therefore published in the Government Gazette Notice No. 45057 on 27 August 2021, the various categories of fees payable, as outlined in the table below, and to be implemented with effect from 01 July 2024.

Item No.	Description	R (excl. VAT)	R (Incl. VAT)
1.	The requester fee payable by every requester	86.95	100.00
2.	Photocopy of A4 size page or part thereof	1.30	1.50
3.	Printed copy A4 size page or part thereof	1.30	1.50
4.	For a copy in a computer readable form on:  a. Flash Drive (to be provided by the requester) b. Compact Disc  i. If provided by the requester ii. If provided to the requester	34.78   34.78 52.17	40.00   40.00 60.00
5.	For a transcription of visual images per A4 size page	Service to be outsourced. Will depend on quotation from service provider.	
6.	Copy of visual images		
7.	Transcription of an audio per A4 size page	20.86	24.00
8.	Copy of an audio record on:  a. Flash Drive (to be provided by the requester) b. Compact Disc  i. If provided by the requester ii. If provided to the requester	34.78   34.78 52.17	40.00   40.00 60.00
9.	To search for and prepare the record for disclosure for each hour or part of an hour, excluding the first hour, reasonably required for such search and preparation.  To no exceed a total cost of		100.00  300.00
10.	Deposit: If search exceeds 6 hours	One third if amount per request calculated in terms of items 2 to 8	
11.	Postage, email or any other electronic transfer	Actual expense if any	

**With the IFP abstaining and the DA not in support, the recommendations were by majority, ADOPTED.**

2.2 Review of Tariffs for the Hire of the City Hall Venues for the 2024-25 Financial Year (7/6/1/4):

(Page 71: Governance and Human Resources Committee - Agenda 2024-03-20)

The City Administration Unit, like other Municipal Units, is empowered by the legislation to review tariffs applicable to its operations. The Unit provides effective and efficient administration; language services; as well as Councillor support services

within the Municipality to enable the Municipal Council to make people-driven decisions for the benefit of the eThekweni citizens. The Unit is also managing the City Hall and its key venues for internal and external use. In this regard, a 5% tariffs increase is proposed to keep up with inflation and therefore continue managing venues to the satisfaction of the bookers.

It will be recalled that the Municipal Council approved the budget reprioritization for the City Administration Unit to facilitate the repairs of the City Hall Main Auditorium following the storm damages. Therefore, the Unit’s income with regard to the venue hire is currently lower than expected in view of the Main Auditorium not in use at this stage. Accordingly, the repairs have commenced, and it is anticipated that the Auditorium will be open for use during the course of this year 2024. It being noted that the tariffs increase proposed is still to be subjected to a public participation process.

During discussion, the Committee requested a comprehensive report to be submitted with regard to the state of the Main Auditorium, in terms of the repairs undertaken and the timelines within which to complete the repairs. As per the commitment made by Management, the Report will be submitted at the next meeting of the Governance and Human Resources Committee.

At Support Committee level, the DA and the EFF abstained on the matter. With the majority of the Political Parties present being in support and it being noted that the process increase is still to undergo a public participation process.

At the Executive Committee level, the DA maintained its abstention on the matter, and with the other Political Parties present being in support,

**COMMITTEE RECOMMENDS:**

2.2.1 That the Council resolves to approve in-principle, and subject to a public consultation process, a 5% increase in tariffs proposed by the City Administration Unit, as per the provisions of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and which tariffs are levied with respect to the hire of the City Hall meeting venues, and the proposed increase, upon final approval, to be implemented with effect from 01 July 2024.

2.2.2 That upon the Council granting final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**Financial implications:**

That in terms of Section 17(3)(a)(ii) of the Local Government: Municipal Finance Management Act No. 56 of 2003 the setting of any municipal tariffs must be done in a form of a draft resolution that must accompany budget an annual budget to be tabled for approval before a municipal Council. Data relating to income and expenditure are shown below:

City Administration	Year 2021/22 (Actual)	Year 2022/2023 Actual	Year 2023/24 Approx	Year 2024/25 Estimate	Year 2025/26 Estimate	Year 2026/27 Estimate
	R	R	R	R	R	R
Income	0	0	R1 410 000.00	0	0	0



City Administration	Year 2021/22 (Actual)	Year 2022/2023 Actual	Year 2023/24 Approx	Year 2024/25 Estimate	Year 2025/26 Estimate	Year 2026/27 Estimate
Expenditure	7 324 556,19	6 201 036,00	6 704 710,00	7 341 650,00	9 018 720,00	9 944 300,00
Surplus/ Deficit	7 324 556,19	6 201 036,00	5 294 710,00	7 341 650,00	9 018 720,00	9 944 300,00

**The recommendations were by, majority vote, ADOPTED.**

2.3

Naming of Streets in Ward 14 Covering Dassenhoek:

(Page 82: Governance and Human Resources Committee - Agenda 2024-03-20)

The eThekweni Municipality embarked on a process to name the streets within the entire eThekweni Municipal area. This is in line with the eThekweni Municipality Street Naming and Addressing Policy. The naming of streets is crucial for the purpose of achieving identification thus ensuring efficient service delivery and speedy response to urgent needs of the citizens.

In line with the provisions of the Policy, the Ward 14 in Dassenhoek underwent a process to name the streets in this area, with the Ward Councillor and the community at large being involved in this process. Subsequent to a sufficient consultation process, the community identified the names reflected under the recommendation below, and with these names believed to be continuing an existing theme within Dassenhoek, creating a sense of unity; cohesiveness; and reflecting the sentiments of the community of Dassenhoek.

As indicated, it is in the best interest of the Municipality to name the streets for identification purposes; and provision of efficient service delivery. All due processes have been followed and satisfied in the naming of the streets in Ward 14 Dassenhoek. Therefore, the names proposed have already been accepted by the community through consultation with various structures.

Accordingly,

**COMMITTEE RECOMMENDS:**

That given that all requirements for the naming of streets have been satisfied, and it is in the best interest of the eThekweni Municipality and the communities affected to name the streets, the Council approves the street names identified for the Ward 14, Dassenhoek, as reflected in the table below.

STREET CODE	PROPOSED NAME	REVIEWED NAME	MEANING
47400 Street	Mandela Park	Mandela Park Street	Struggle Icon
47973 Street	Reggie Makhathini	Reggie Makhathini Lane	Well known Traditional Administrator
47975 Street	Mdingiswa Gasa	Mdingiswa Gasa Street	A doyen community development activist
50077 Street	Cassim Phiri	Cassim Phiri Drive	Political Activist
50399 Street	Mbuthuma	Mbuthuma Crescent	Community sport development activist
50446 Street	Wood	Wood Road	Revered Tree

<b>STREET CODE</b>	<b>PROPOSED NAME</b>	<b>REVIEWED NAME</b>	<b>MEANING</b>
75101 Street	Mkhulu Shabalala	Jabulani Shabalala Crescent	Early childhood development activist
75103 Street	Themba Ntanz	Themba Ntanz Street	Economic development activist
75104 Street	Chief Lokothwayo	Chief Lokothwayo Street	Renowned Traditional Leader
211963 Street	Sdi Mkhwanazi	Sdi Mkhwanazi Close	UDF Political Activist
75106 Street	Manene Chiliza	Manene Chiliza Street	UDF activist who contributed immensely to our liberty.
75108 Street	Hlongwane	Hlongwane Close	Renowned political activist
75110 Street	Cutshwayo	Cutshwayo Road	Well known river
75112 Street	Thulasizwe Mtshali	Thulasizwe Mtshali Street	UDF Political Activist
75113 Street	Tenny Ndaba	Tenny Ndaba Lane	Community Activist
75120 Street	Vumazonke Tribal Court	Vumazonke Tribal Court Street	Inkosi Shozi Tribal Court
75125 Street	Tunnel	Tunnel Road	Road located next to train tunnel
75146 Street	Mayeza	Mayeza Street	Community Sport Activist
75148 Street	Ndlovu	Ndlovu Crescent	Cultural Activist
75153 Street	Fiki Shange	Fiki Shange Street	Political Activist
75155 Street	Sifiso Delani Mnguni	Sifiso Delani Mnguni Lane	Political Activist
75157 Street	Mbali Mnguni	Mbali Mnguni Street	Women Emancipator Activist
75158 Street	Maswazini	Maswazini Street	Cultural Clan Group
75162 Street	Sibusiso Mncwabe	Sibusiso Mncwabe Place	Firebrand Political Activist
75164 Street	Mogrish Kunene	Mogrish Kunene Way	UDF Political Activist
75165 Street	Nhlanhla Mdadane	Nhlanhla Mdadane Street	UDF Political Activist
75166 Street	Vusi Ngcobo	Vusi Ngcobo Avenue	A doyen community development Activist
75167 Street	Mzwakhe Ngcobo	Mzwakhe Ngcobo Street	UDF Political Activist
75168 Street 75171	Sbusiso Dube Goba	Sbusiso Dube Avenue Goba Crescent	UDF Activist
75173 Street	Thulisa Sporo Shezi	Thulisa Sporo Shezi Street	Renowned Cultural Activist
75174 Street	Qiniso Mbanjwa	Qiniso Mbanjwa Drive	UDF Activist
75175 Street	Nkosie Sithole	Nkosie Sithole Street	
75205 Street	Bheki Ntshebe Mfeka	Bheki Ntshebe Mfeka Street	UDF Political Activist
75209 Street	Ntombi Nzama	Ntombi Nzama Lane	Women Emancipator Activist
75214 Street	Gwala	Gwala Street	UDF Political Activist
75215 Street	Makhathini	Makhathini Crescent	Community Development Activist

STREET CODE	PROPOSED NAME	REVIEWED NAME	MEANING
75216 Street	Mjambo	Mjambo Lane	Political Activist
200128 Street	Inkosi Manzolwandle Shoji	Inkosi Manzolwandle Shoji Road	Renowned Cultural Activist
211588 Street	Pascal Shoji	Pascal Shoji Street	Renowned Traditional Leader
211600 Street	Popzin Ngcobo	Popzin Ngcobo Place	Renowned Community Development Activist
211763 Street	Mayaba	Mayaba crescent	Renowned Cultural Activist
211946 Street	Cottonwood	Cottonwood street	Revered Tree
211949 Street	Tamarck	Tamarck Lane	Revered Tree

**ADOPTED.**

3. REPORT OF THE ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE: MEETING HELD 2024-03-20.

(Page R14)

3.1 Change of C40 Membership Requirements (32/2/2):

(Page 1: Economic Development and Planning Committee - Agenda 2024-03-20)

The eThekweni Municipality has been a member of C40 since 2016. The current 3-year Memorandum of Agreement (MoA) in this regard is due to expire in June 2024. This serves to advise that the Municipality will no longer be required to enter into the MoA as part of the C40 membership as this process has since been replaced with annual reporting on, and adherence to a set of Leadership Standards recently developed by the C40. The Municipality successfully completed the said Report in December 2023 and confirmation is still pending to establish successful adherence to the C40 standards outlined.

Partnership between the eThekweni Municipality and the C40 is still required to assist the Municipality with decreasing its greenhouse gas emission and adapting to climate change risks. The risks posed by climate change have impacts across the Municipal Units and Clusters. The Municipality has benefitted greatly from the partnership with the C40, through programmes including:

- Deadline 2020, and resultant Climate Change Action Plan;
- The Cities Finance Facility, which provided technical support to develop the Transformative River Management Programme; business case; and implementation framework; and
- New Buildings Low Carbon Programme, which helped the Municipality develop corresponding City Policy

Membership with the C40 gives eThekweni Municipality a direct line of communication with other leading local governments and international organisations dealing with the climate change challenges. The exchange of knowledge and expertise is critical to ensure that transformative climate change adaptation and mitigation measures are included in City programmes for service delivery. In particular, a

dialogue with other Cities from across the world will ensure that global information and knowledge is utilised to deliver local appropriate responses.

The new C40 Leadership Standards to be complied with are as follows:

- 1. Plan:**  
City has adopted a resilient and inclusive climate action plan aligned with the 1.5°C ambition of the Paris Agreement, and updates it regularly;
- 2. Deliver:**  
In 2024, City remains on track to deliver its climate action plan, contributing to increased resilience equitable outcomes and having C40's overall emissions by 2030;
- 3. Mainstream:**  
City uses the necessary financial, regulatory and other tools at their disposal to address the climate crisis and mainstreams their equitable climate targets into the most impactful City decision-making processes;
- 4. Innovate:**  
City innovate and starts taking inclusive and resilient action to address emissions beyond the direct control of the City government, such as associated with goals and services consumed in their City; and
- 5. Lead:**  
Mayor and the City demonstrate global climate support of the Paris Agreement.

It is proposed that the eThekweni Municipality continues its partnership with the C40 though adherence to the Leadership Standards reporting as the formal MoA is no longer required. The primary benefits still to be derived by the eThekweni Municipality are as follows:

1. Access to cities that have Climate Change Adaptation and Mitigation expertise and knowledge through a platform that is developed to facilitate the exchange of such expertise and knowledge.
2. The continued positioning of the eThekweni Municipality as a leader in Climate Change Adaptation and Mitigation by the contribution of eThekweni Municipality's expertise to the forum.
3. Access to opportunities that emerge from eThekweni Municipality's position as a global leader in addressing climate change, especially in a developing economy context.

The eThekweni Municipality has benefited tremendously previous formal partnerships with C40. From a financial perspective, the eThekweni Municipality has received approximately R20 000 000.00 (Twenty Million Rand) of support from the C40. In addition, the Municipality has received a lot of positive publicity on the international stage and Municipal officials have been given an opportunity to learn from some of the most progressive cities in the world.

Accordingly,

COMMITTEE RECOMMENDS:

- 3.1.1 That the Municipal Council notes that the Municipality will no longer be required to enter into a Memorandum of Agreement as part of the C40 membership as this process has since been replaced with annual reporting on, and adherence to a set of Leadership Standards recently developed by the C40.
- 3.1.2 That the Municipal Council supports continued partnership between the eThekweni Municipality and the C40 under the new annual reporting on Leadership Standards under the subject matters, i) Plan; ii) Deliver; iii) Mainstream; iv) Innovative; and v) Lead.
- 3.1.3 That the Council notes the benefits still to be derived from the C40 partnership are as follows:
- (a) Access to cities that have Climate Change Adaptation and Mitigation expertise and knowledge through a platform that is developed to facilitate the exchange of such expertise and knowledge.
  - (b) The continued positioning of the eThekweni Municipality as a leader in Climate Change Adaptation and Mitigation by the contribution of eThekweni Municipality's expertise to the forum.
  - (c) Access to opportunities that emerge from eThekweni Municipality's position as a global leader in addressing climate change, especially in a developing economy context.

**ADOPTED.**

- 3.2 Review of Tariffs: Business Licensing (7/6/1/6):  
(Page 6: Economic Development and Planning Committee - Agenda 2024-03-20)

Authority is sought not to increase the tariffs of the Business Licence Department for the 2024-25 financial year, hence a zero percent (0%) increase in this regard, for implementation with effect from 01 July 2024. The Unit reviewed its tariffs, as per the provisions of the legislation. This zero percent proposal will therefore form part of the overall public participation process on the review of the eThekweni Municipality tariffs across the Municipal Units. It is believed the proposal will accelerate development of prosperous, diverse economy and employment creation.

During consideration at the Executive Committee level, the City was encouraged to intensify enforcement and monitoring of business license particularly in rural and township areas to restrict businesses from trading with items falling outside the scope of the license obtained.

The DA abstained on the matter both at the Support Committee and the Executive Committee level. With the other Political Parties present being in support of the proposed zero percent (0%) tariffs increase,

COMMITTEE RECOMMENDS:

- 3.2.1 That the Executive Committee resolves to recommend to the Municipal Council to grant an in-principle approval, and subject to the public participation process, the 0% tariffs increase proposed by the Business Licence Department in line with the

provision of Section 75A(3) and (4) of the Local Government: Municipal Systems Act No. 32 of 2000, and, upon final approval, to be implemented with effect from 01 July 2024.

- 3.2.2 That, upon the Municipal granting a final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A(3) and (4) of the said Act regarding the display of notices for such for such an increase.

**ADOPTED.**

- 3.3 Review of Tariffs for Various Retail Markets Managed by the Business Support Unit for the 2024-25 Financial Year (7/6/1/6):  
(Page 12: Economic Development and Planning Committee - Agenda 2024-03-20)

The Business Support Unit is responsible for supporting the operations of the Retail Markets, namely, Early Morning Market; Verulam Market; Ezimbuzini Market; Bangladesh Market; Fragrance Market; Hammarsdale Market; Phoenix Millennium; Tongaat Market; Mansel Road Market; and Brookdale Market. As part of supporting the local economic growth, and in line with the statutory requirement pertaining to the review of the tariffs, the Business Support Unit is proposing a 0% increase for tariffs levied for the operations in these markets.

The Unit also took into consideration the economic hardships suffered as a result of the Covid-19 lockdowns in July 2021; socio-economic unrest; as well as the April 2022 floods which resulted in a severe impact on the business sector to such an extent that some of the well-established businesses have had to close down, thus affecting the emerging entrepreneurs, more so the traders in Retail Markets. It was reported that there has been no improvement in the socioeconomic conditions and that this is impacting negatively on traders. For the said reasons, the Business Support Unit proposes no increase in tariffs for Traders operating in all Retail Markets within eThekweni Municipality for 2024/2025 financial year.

The DA abstained on this matter both at the Support Committee and the Executive Committee level. With the other Political Parties present being in support of the proposed zero percent tariffs increase,

**COMMITTEE RECOMMENDS:**

- 3.3.1 That the Executive Committee resolves to recommend to the Municipal Council to grant an in-principle approval, and subject to the public participation process, the 0% tariffs increase proposed by the Business Support Unit for the various retail markets, in line with the provision of Section 75A(3) and (4) of the Local Government: Municipal Systems Act No. 32 of 2000, and, upon final approval, to be implemented with effect from 01 July 2024.
- 3.3.2 That, upon the Municipal granting a final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A(3) and (4) of the said Act regarding the display of notices for such for such an increase.

**ADOPTED.**

3.4 Approval of Public Participation Process for the eThekweni Municipality: Business Licensing By-Law, 2024 (1/1/3/1/41):  
(Page 22: Economic Development and Planning Committee - Agenda 2024-03-20)

Authority is sought to conduct a public participation process in respect of the proposed eThekweni Municipality: Business Licensing By-Law, 2024 as contained in Annexure A of the report by the City Manager dated 2024-02-05. In terms of Section 156 of the Constitution of the Republic of South Africa, the eThekweni Municipality has the executive and legislative authority to make and administer By-Laws for the effective administration over matters such as the licensing and the control of undertakings, businesses and establishments that provide entertainments, health facilities or sell food to the public within the Municipality's area of jurisdiction.

Approval of the By-Law is required to ensure the Municipality effectively and efficiently regulates business licensing within its area of jurisdiction. Although the Municipality currently regulates the control and licensing of food businesses, health facilities and entertainment establishments through various by-laws and the Business Act, these By-Laws are outdated, fragmented in their application and these do not effectively meet the Municipality's objectives. Accordingly, there is a need to develop a single, unified By-Law which will be applicable throughout the jurisdiction of the Municipality. Accordingly, the By-Law will achieve the following outcome:

- (a) Provides measures for an effective system for the licensing of businesses and establishments that provide entertainment, health facilities or sale of food to the public;
- (b) Regulates the procedures that persons or businesses must comply with in making an application for a business license;
- (c) Provides for disqualifications, exclusions and exemptions for a business license;
- (d) Provides for the licensing of specific businesses and establishments; and
- (e) Provides for penalties for non-compliance with the provisions of the By-Law and operating without a valid business license.

It was noted that the Legal and Compliance Unit consulted extensively with the Business Support, Markets and Durban Tourism Unit and all other stakeholders having interest in regulating businesses within the Municipality (hereinafter referred to as "the Enforcement Units") to draft the By-Law which addresses the needs and policy position of the Enforcement Units concerned. Consultation with the Enforcement Units have been finalised and the By-Law is now ready for deliberation.

The Executive Committee commended this initiative, it being emphasized that during the implementation stage there should be proper enforcement to ensure that businesses operating, particularly, in townships and the Central Business District are operating within a framework of the license issued thereby preventing illegal or businesses deviating from the actual license possessed.

Accordingly,

**COMMITTEE RECOMMENDS:**

- 3.4.1 That the eThekweni Municipality: Business Licensing By-Law 2024, be approved for public participation with the notice published for public comment in the Ezasegasini Metro and a copy of the By-Law be placed on the City Hall notice board, at Sizakala Centres and on the eThekweni Municipality website ([www.durban.gov.za](http://www.durban.gov.za)) for a period

of not less than thirty (30) days to allow the public an opportunity to make representations with regards to the proposed By-Law, and

- 3.4.2 That the eThekweni Municipality: Business Licensing By-Law, 2024 be workshopped with the Committee on a date to be proposed and agreed to by the Committee accordingly.

**ADOPTED.**

4. REPORT OF THE HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE: MEETING HELD 2024-03-20.

(Page R18)

4.1 Request for Authority to Undertake E-Mobility Feasibility Study Programme (26/2/3/1):

(Page 96: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

Authority is sought to approve E-Mobility Feasibility Study Programme that the Municipality will be embarking on under the leadership of the eThekweni Transport Authority (ETA). The programme will include the relevant internal and external stakeholders, as necessary. The report further seeks to authorize the Deputy City Manager: Finance to make all the necessary funding arrangements to facilitate the execution of the project, and grant approval for the City Manager, on behalf of the Municipality, to enter into a Memorandum of Agreement (MoA), with the South African National Energy Development Institute (SANED), the executing agents of the program, in co-operation with the Development Bank of Southern Africa (DBSA).

The ETA has identified and landed an opportunity for the eThekweni Municipality to partner with other players in conducting the feasibility study for the deployment of electric buses, with the eThekweni Municipality being identified by C40 and TUMI (Transformative Urban Mobility Initiative) as one of the three cities in South Africa, which will receive support through provision of technical expertise, grant funding and loan funding at zero or highly discounted interest rates from the Development Bank of Southern Africa. In terms of this opportunity, the eThekweni Municipality will be supported by the following partners:

- TUMI
- C40
- GEF (Global Environment Facility)
- DBSA (Development Bank of South Africa)
- DTIC (Department of Trade, Industry and Competition)
- DoT (Department of Transport)

Through the GEF 7 project, led by the DBSA as the implementing agent, the City is earmarked to receive three (3) free electric buses, with which to conduct the feasibility assessment. The GEF project is aimed at initiating the electrification of public transport in three (3) Cities (Durban, Tshwane and Johannesburg) in South Africa. The project is divided into broad 4 components specifically for the eThekweni Municipality:

- a. Policy development for integrated and sustainable solutions for Cities.



- b. Demonstration of three (3), and deployment of a further seventeen (17) e-Buses in Durban over a five-year period should the feasibility study be successful.
- c. Institutional Capacity Building of public transport stakeholders to support large-scale uptake of e-Buses in the future.
- d. Further scaling up of the e-Bus fleet in the eThekweni Municipality, over time.

As part of participating in the GEF7 project, the eThekweni Municipality needs to commit to rolling out an additional seventeen (17) electric buses over a two-year period, should the feasibility study confirm the viability for the deployment of this technology in the City. The number of buses contemplated for deployment post the conclusion of a positive feasibility study will be planned as part of the bus replacement program for the Durban Transport fleet. The cost to the eThekweni Municipality for these buses will be no more than the cost of replacing a conventional bus (internal combustion engine), with the anticipated additional cost for each of the units covered through the GEF7 project (grant funding, fiscal incentives, and concessional loans from the DBSA). The three initial buses to be used to conduct the feasibility study will come at no cost to the eThekweni Municipality.

No participation by private bus operators in the eThekweni Municipality is anticipated in the deployment of electric buses until after the conclusion of the feasibility study, and the formulation of the roadmap for the deployment of electric buses in eThekweni Municipality. They will, however, be invited to participate in the stakeholder engagements while the feasibility study is conducted.

With this recognition, the ETA has established a working group to spearhead and coordinate the feasibility study and help prepare the City for the deployment of e-Mobility technologies. The working group comprises the relevant Units within the eThekweni Municipality, as well as external stakeholders mentioned above, who will be co-opted from time to time.

The purpose of the Working Group is to create a space for city-based stakeholders to centralize their skills and experience to assist and accelerate the feasibility study making use of the three (3) free electric buses to be made available to the City. This will be done by sharing best practices, providing technical support, capacity building, and knowledge sharing. The e-Bus project and intended deliverables will be included in this working group's activities.

The activities of the Working Group will be centered around conducting a feasibility study with three (3) electric buses, that will be donated to the study, to assess if the deployment of an additional seventeen (17) e-Buses, for which funding is required, is viable. This will involve the following actions:

- Developing an implementation plan unique to the opportunities and constraints in the City of Durban.
- Integrating lessons learned and best practice from other deep-dive cities.
- Reviewing Municipal legislation and identifying enabling mechanisms to ensure seamless deployment of 20 electric buses in the city over a 5-year period.
- Identifying opportunities of cross-departmental/cross-organization integration
- Developing unique targets with realistic timeframes for further electric bus deployment in the city.

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 4.1.1 That it be noted that eThekweni Municipality has been selected to participate in the “Accelerating the shift towards Electric e-Mobility in South Africa” project and will as a result, receive funding (grant, concessionary loans, fiscal incentives, etc.) as well as three (3) free electric buses for the purpose of conducting a feasibility study as part of the project.
- 4.1.2 That it be noted that eThekweni Municipality will be required to include an acquisition of seventeen (17) electric buses in its bus replacement program, in the event that the feasibility study proves to be viable.
- 4.1.3 That it be noted that the eThekweni Transport Authority (ETA) will keep Council updated on the progress of the feasibility study and its outcome.
- 4.1.4 That, subject to 4.1.3 above, authority be granted for the eThekweni Municipality to participate in the “Accelerating the shift towards electric mobility in South Africa” project under the leadership of the ETA, and in co-operation with the relevant internal and external stakeholders.
- 4.1.5 That authority be granted for the Deputy City Manager: Finance to make the necessary funding arrangements to cover for the eThekweni Municipality commitments, estimated in the amount of R80 800 000.00 (Eighty Million Eighty Hundred Thousand Rand) to be linked to the Durban Transport Bus Replacement Program, to facilitate the execution of the project.
- 4.1.6 That authority be granted for the City Manager, on behalf of the Municipality, to enter into and sign a Memorandum of Agreement with the South African national Energy Development Institute, the executing agent for the programme, in co-operation with the Development Bank of Southern Africa, for the implementation of the project.

**Financial Implications:**

The financing of this project will be from Global Environment Facility (GEF). The DBSA have been appointed as the implementing agent, in partnership with SANEDI, under the GEF 7 project, and as such will act as the conduit of any funds from GEF for feasibility study by the City. The Bank has also committed to providing an interest-free loan for some of the e-buses to be purchased by the City after the feasibility study, and for others a loan at a favorable interest rate.

Financing from Global Environment Facility has been approved based on the following conditions to be met by the eThekweni Municipality:

- 1. Ring-fence a budget for procurement of 20 electric buses in the City over a period of 5 years, as part of its bus replacement program. This is estimated to be R80.8 million made up as follows:

	<b>P1(0-2years)</b>	<b>P2(3-5years)</b>
<b>Number of Buses</b>	6	13
<b>Funding Requirement from Municipality</b>	R12.32 million* (USD 0.77 million)	R8.96 million* (USD 0.56 million)
	R12.32 million* (USD 0.77 million) (DBSA facility at 0% interest)	R47.2 million* (USD 2.95 million) (DBSA facility at concessional interest)

- 2. Make provision for in-kind R16.048 million (USD 1.003 million) for the recurring expenses for the Municipality’s staff, infrastructure and resources used during the project.

It is understood that part of the support the Municipality will receive as a participant in the “Accelerating the shift towards electric mobility in South Africa” Project will include the following:

- Global Environment Facility grant amounting to USD 1.46 million (R23.36 million)
- Fiscal Incentives from the South African Government (battery capital subsidy, and tax exemptions) amounting to USD 2.99 million (R47.84 million),
- Concessional Facility from DBSA to cover USD 3.72 million (R59.52 million) of its own contribution, and
- Three (3) free electric buses to be used in conducting a feasibility study for the deployment of electric buses in the City.

**ADOPTED.**

- 4.2 Request for Authority to Extend by 12 Months the Duration of the Existing Memorandum of Agreement Between the eThekweni Municipality and the Water Research Commission of South Africa (WS2024/25) (23/1/R):  
(Page 111: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

A Memorandum of Agreement was entered into between the eThekweni Municipality and the Water Research Commission (WRC) of South Africa in July 2022 for a period of 24 months. The purpose of the agreement was to demonstrate 2 sludge treatment technologies that can treat faecal sludge and wastewater treatment sludge to produce soil conditioner and hydrochar. The two technologies were co-funded by the Municipality and the WRC, with the Municipality contributing 60% of the total funding required through the programme and Project Preparation Support Grant (PPPSG). Due to the funds for the project from the PPPSG having been allocated to the 2021/22 financial year, there was a need to wait for the adjustment budget and for the funds to be allocated to the 2022/23 financial year. This caused a delay of eight (08) months to the project timeline.

It should be noted that Members of the Support Committee has resolved to conduct inspection in this regard as part of the Committee oversight role, and this to be arranged accordingly in liaison with the Committee leadership.

On this basis,

COMMITTEE RECOMMENDS:

That, given the availability of funding to proceed with the sludge treatment technologies project which has previously been delayed due to non-availability of funding, authority be granted for the City Manager to, on behalf of the Municipality, enter into and sign an Addendum to the existing Memorandum of Agreement between the eThekweni Municipality and the Water Research Commission of South Africa (WRC) to extend the project for a further 12-month period ending 31 July 2025.

**ADOPTED.**

- 4.3 Authority to Approve Request from Shukuru Foundation to Partner with eThekweni Municipality to Fastrack Responses to the April 2022 Floods Victims (22/1):  
(Page 174: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

Authority is sought to approve a request from the Shukuru Foundation to partner with the eThekweni Municipality in their pledge to expedite intervention responses to the April 2022 floods victims, particularly, in rural areas. Between 2017 and 2020, the eThekweni Region of the KwaZulu Natal experienced at least two major floods events that resulted in several mudslides, the destruction of infrastructure and housing.

While the floods caused major disruption to the lives and properties, nothing is comparable to the events of 2022 wherein nearly six thousand families were left homeless. As is most common in rural South Africa, these communities were already amongst the most vulnerable given limited access to the public services. Based on the needs assessment research conducted in June 2022, the main priorities for these rural communities are housing as well as post-trauma counselling.

The Shukuru Foundation is planning to launch a digital platform to enlist Corporate Social Investment (CSI) subscribers to donate to fund for homes, online on behalf of beneficiaries. The current plan is start with the ten (10) first show houses and what is being requested from the eThekweni Municipality is just confirmation of the provision of infrastructure services in line with the eThekweni Municipality's standards within the proposed areas. The target of 150 units per year equivalent to 600 houses in a 5-year period using the Corporate Social Investment funds.

During discussion, it was noted that some members were not in support of the recommendations, the matter was therefore put to the vote. 29 Councillors (ANC – 14, DA – 9, EFF – 2, IFP – 3, KNZI – 1) were in support of the recommendations and 1 – ACC Councillor voted against, and the matter passed by the majority vote.

With the Executive Committee being in support,

#### COMMITTEE RECOMMENDS:

- 4.3.1 That the acceleration of service delivery through partnership between eThekweni Municipality and Shukuru Foundation as the pledge to fastrack interventions to responding to the April 2022 floods victims, be supported.
- 4.3.2 That the Council grants authority for policy alignments to the Cities Urban Development standards as prescribed in the IDP Chapter 3, USDG and ISUPG conditions in ensuring that the sites are serviced with required infrastructure under the interventions pledged by Shukuru Foundation.

#### **Financial implications:**

The Human Settlements funding is depended on and subsidized by the Human Settlements development Grant (HSDG) and Urban Settlements Development Grant (USDG) and Informal Settlements Upgrading Partnership Grant (ISUPG).

The first 10 houses will be requiring a total amount of R1 000 000.00, based on the estimated amount of R100 000.00 per site to be allocated from the Urban Settlements Development Grant (USDG) for services as budgeted on the current financial year and outer years will be required to supplement the proposed Top structure that will be constructed by Shukuru Foundation from donor funders.

#### **ADOPTED.**

- 4.4 Progress Report and the Possible Extension of the Sihlanzimvelo Stream Cleaning Programme (32/1/4/1):  
(Page 208: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

The Committee received progress report related to the Sihlanzimvelo Stream Cleaning Programme and also to seek authority to approve additional funding for the extension of the Sihlanzimvelo stream cleaning programme. The report proposes that the programme be extended to other areas through the appointment of a further twenty (20) co-operatives and would be appointed under the current contractor with the service provider at relatively low cost.

The overall result of this initiative would be increasing the length of the stream being maintained from a current length of 530km to 630km.

The Committee supported the proposal and also undertook to conduct site inspection as part of oversight and accountability for the budget allocation and implementation thereof.

**COMMITTEE RECOMMENDS:**

4.4.1 That the annual budget allocated for the Sihlanzimvelo Cleaning Programme, be increased, as reflected in the tables below:

**Current budget:**

BU	Item	Funding	Costing	Project	Region	2023/24	2024/25	2025/26
48500	11755	12120	0000	89686	0010	45 986 139.00	48 745 307.34	51 670 032.59

**Proposed adjusted budget:**

BU	Item	Funding	Costing	Project	Region	2023/24	2024/25	2025/26
48500	11755	12120	0000	89686	0010	48 878 355.76	57 942 535.14	61 419 095.34

4.4.2 That subject to .1 above the inclusion of 20 additional co-operatives for the purpose of undertaking the cleaning and maintenance of streams identified in areas reflected below, be approved:

<b>South</b>		
Area	Ward number	No of co-ops
Cato manor	20	2
Umlazi	78	1
Umgababa	98	2
Folweni	95	2
Ezimbokodweni	93	1
Ilovo	102	2
Total		10

<b>North</b>		
Area	Ward number	No of co-ops
Newlands	37	3
Newlands	11	1
Amaoti	53	1
Inanda-Glebe	44	2
Tongaat	60	2
Kwa-Mashu	39	1
Total		10

- 4.4.3 That the Roads & Storm water Maintenance department be mandated to expand the Sihlanzimvelo Programme to include streams that are in high density areas.
- 4.4.4 That co-operatives involved in the programme be remunerated at a rate of R7 230.53 (Seven Thousand Two Hundred and Thirty Rand Fifty-Three Cent) per km per month for the first year and that future annual increases be as the increased in the consumer price index for the preceding year.
- 4.4.5 That the overall stream length being maintained be increased from a current length of 530km to 630km.

**Financial Implications:**

The remuneration of Co-operatives under the Sihlanzimvelo Stream Cleaning Programme 2023/24 financial year is as follows:

	Number	Current rate 2023/24	Total cost per month 2023/24
Current Co-operatives	106	36 152.63	3 832 178.78
Additional Co-operative	20	36 152.63	723 052.60
<b>Total per month</b>			<b>4 555 231.38</b>

The total estimated cost of remuneration to co-operatives for the 2023/24 financial year will be R48 878 355.56

**Current budget:**

BU	Item	Fundi ng	Costi ng	project	Regio n	2023/24	2024/25	2025/26
48500	11755	12120	0000	89686	0010	45 986 139.00	48 745 307.34	51 670 032.59

**Additional Budget:**

BU	Item	Fundi ng	Costi ng	project	Regio n	2023/24	2024/25	2025/26
48500	11755	12120	0000	89686	0010	2 892 216.76	9 197 227.80	9 749 062.75

**Proposed Budget:**

BU	Item	Fundi ng	Costi ng	project	Regio n	2023/24	2024/25	2025/26
48500	11755	12120	0000	89686	0010	48 878 355.76	57 942 535.14	61 419 095.34

**ADOPTED.**

- 4.5 Proposed Alienation of Servitude Rights over the Remainder of Portion 5 (of 1) and Portion 87 of 5 Both of the Farm uMkhomazi Drift No 1357 to Eskom Holdings SOC Limited:  
(Page 354: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 4.5.1 That the Council declares that in terms of Section 14(6) of the MFMA read with Regulation 20(1)(f) of the MATR that:

- 4.5.1.1 The capital asset (being servitude rights) is determined by resolution of Council to be not needed for the provision of the minimum level of basic municipal services and to be deemed to be surplus to the requirements of the Municipality.
- 4.5.1.2 The servitude rights shall be registered in favour of Eskom Holdings SOC Limited in order to benefit the Community.
- 4.5.2 That the Municipal Council notes the result of the due diligence review in terms of Regulation 32 of the MATR and approves the granting of servitude rights in favour of Eskom Holdings SOC limited.
- 4.5.3 That the capital asset, being servitude rights be granted in favour of Eskom Holdings SOC limited at a nominal amount the Municipality having taken into account the factor in terms of Regulation 20(1)(f) of the MATR.
- 4.5.4 That the current market value of the servitude rights is R72 585.00 (Seventy-Two Thousand Five Hundred and Eighty-Five). In terms of Regulation 20(10)(f) of the MATR the required servitude rights over the Remainder of Portion 5 (of 1) and Portion 87(of 5) both of the Farm uMkhomazi Drift No 1357, Registration Division FT, Province of KwaZulu-Natal in extent 1.4517ha as depicted on plan ER 00779, be registered in favour of Eskom Holdings SOC limited at the price of R1 000.000 (One Thousand Rand) Excluding VAT.
- 4.5.5 That the Municipal Council grants beneficial occupation of the servitude rights to Eskom Holdings SOC Limited over the Remainder of Portion 5 (of 1) and Portion 87 (of 5) both of the Farm uMkhomazi Drift No.1357, Registration Division FT, Province of the KwaZulu-Natal in extent 1.4517ha as depicted on Plan ER 00779, prior to registration in order for Eskom Holdings SOC Limited to conduct the required feasibility study and to commence with any installations within the servitude area. Such occupation is subject to the provision by Eskom Holdings SOC Limited of the necessary indemnity.
- 4.5.6 That the alienation of the servitude rights be approved subject to a reversionary clauses stating that in the event that the area of subject properties is not utilized by Eskom Holdings SOC for the purpose of overhead powerlines and telecommunication lines the servitude will be cancelled by agreement in terms of a notarial deed of cancellation of servitude will be cancelled by Eskom Holdings SOC limited at no cost to the Municipality free of any encumbrances, aliens hypothec and mortgage bonds. Eskom Holdings SOC shall sign all documents necessary to give effect to such cancellation of the servitude in favor of the municipality. This provision shall be included in the agreement between Eskom Holdings SOC limited and the Municipality.
- 4.5.7 That all cost relating to the survey, creation and registration of servitude over the remainder of Portion 5 of 1 and the Portion 87 of 5 both of the farm uMkhomazi Municipal Drift No 1357 Registration Division FT Province of Kwa-Zulu Natal in extent 1.4517 ha as depicted on plan ER 00779 shall be borne by Eskom Holdings SOC limited.
- 4.5.8 That subject to the adoption of paragraph .1 to .8 above the Head: Real Estate be granted authority to sign all the documentation necessary to give effect to this transaction and that it shall be subject to further conditions as the Head: Real Estate considers necessary to protect the Municipality's interest.

**ADOPTED.**

- 4.6 Proposed Granting of Rights to Use, Control or Manage a Portion of the Remainder of Erf 10054 Durban, 15 Bay Terrace in Extent 1213 Square Metres as Depicted on Hand Plan SJ 4790/5 By Way of Long-Term Lease:  
(Page 374: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 4.6.1 That the Municipal Council declares in terms of Section 14 of the Local Government: Municipal Finance Management Act No 56 of 2003 that:
- 4.6.1.1 The proposed property described as Portion of the remainder of Erf 10054 Durban in extent 1213 square metres as depicted on hand plan No. SJ 4790/5 is not needed to provide the minimum level of basic municipal services and is considered to be surplus to the requirements of the municipality for the period that the proposed granting of rights to use, control or manage the said property.
- 4.6.2 That the current market value of a Portion of the Remainder of Erf 10054 Durban as depicted on hand plan SJ 4790/5 in extent 1213 square meters is R300 000.00 (Three Million Rand) at an assessed market rental of R240 000.00 (Two Hundred and Forty Thousand Rand) per annum and R20 000.00 (Twenty Thousand Rand) per month lease has been considered excluding VAT.
- 4.6.3 That Council grants approval for a right to use, control or manage the capital asset described as portion of the Remainder of Erf 10054 Durban in extent 1213 square meters as depicted on hand plan SJ 4790/5 in terms of Regulation 34(1) (be read together with Regulation 36 & 41 of the Municipal Asset Transfer Regulations 2008. It being recorded that after the proposed lease period has lapsed, control of the property will revert back to the Municipality.
- 4.6.4 That a thirty-year lease be granted in respect of the property.
- 4.6.5 That all conditions received from the municipality service delivery units as detailed in the report will form part of the lease agreement to be concluded between the municipality and the successful tenderer.
- 4.6.6 That the property described as a Portion of the Remainder of Erf 10054 Durban in extent 1213 square meters as depicted on hand plan SJ 4790/5 be leased in accordance with the Municipal Supply Chain Management policy at a base rental of R20 000.00 (Twenty Thousand Rand) per month exclusive of VAT escalating by 7% per annum and reviewable every 5 years for a period of thirty 30 years.
- 4.6.7 That the rental may be suspended for the development period stipulated on the bidders proposal or until the practical completion certificate is issued (whichever comes first) from the date of registration of the lease to allow for the development of the property provided that the capital investment amount is above R15 million Rand. Should the developer not complete the development within the two-year period, an application can be made to the Head: Real Estate to submit a request to full Council to consider an extension of time to complete the development in accordance with suitable terms and conditions as recommended by the Head: Real.



- 4.6.8 That subject to the adoption of .1 to .7 above, authority be granted to the Head: Real Estate to give effect to the above-mentioned recommendation.

**ADOPTED.**

- 4.7 Closure and Allocation of Remainder of Erven 2801, 449 and 188 in Ntuzuma-G to Human Settlements Unit (17/2/1/1 & 22/7/1/1/3):  
(Page 394: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 4.7.1 That in terms of Section 211 and 212 of Ordinance 25 of 1974. The Remainder of Erven 2801, 449 and 188 in Ntuzuma-G, in total extent 41080m<sup>2</sup> which is a portion of a road and public open spaces as depicted on site plans 1E, 1J and 1K be permanently closed.
- 4.7.2 That this closure is to be advertised via the Land Use Management application process in conjunction with Section 28 (2) (e) of eThekweni Municipality Planning and Land Use Management By-Law 2016 as amended.
- 4.7.3 The in the event of objections being lodged to the proposed closure of Erven 2801,449 and 188 in Ntuzuma-G when it is advertised, the Planning and Land Use Management By-Law process be followed to attend to these objections.
- 4.7.4 That the Remainder of Erven 2801,449 and 188 in Ntuzuma-G, in total extent of 41080m<sup>2</sup> being portions of a road and public open space, as depicted on site plans 1E,1J and 1k to be formally allocated to eThekweni Human Settlements Unit.
- 4.7.5 That all costs involved in this transaction will be for the account of eThekweni Human Settlements Unit.
- 4.7.6 That the Head: Real Estate be granted authority to sign all documents necessary to give effects to the above-mentioned recommendations.

**ADOPTED.**

- 4.8 Proposed Granting of Rights to Use, Control or Manage Property by Way of Long Lease and to Approve the Closure of the Open Space Over a Proposed Portion A of 6 Erf 2291 Durban Located at 20 Riston Road as Depicted on Plan No. SJ 4764/8 (17/2/1/50):  
(Page 450: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 4.8.1 That the Municipal Council declares in terms of Section 14 of the Local Government Municipal Finance Management Act that:
- 4.8.1.1 The proposed property described as Proposed Portion A of 6 of Erf 2291 Durban as depicted on SJ 4764/8 in an approximate extent of 597 square meters is not needed to provide the minimum level of basic municipal services and is considered to be surplus

to the requirements of the Municipality for the period that the proposed granting of rights to use, control or manage the said property is proposed; and

- 4.8.1.2 The Municipality has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset. The current market value of the subject property is R1 490 000.00 (One Million Four Hundred and Ninety Thousand Rand) at an assessed market rental of R119 200.00 (One Hundred and Nineteen Thousand Two Hundred Rand) per annum or R9 933.00 (Nine Hundred and Thirty-Three Rand) per month excluding VAT, has been considered.
- 4.8.2 That the Municipal Council approves in principle that a right be granted to use, control or manage the capital asset described as Proposed Portion A of 6 of Erf 2291 Durban as depicted on hand plan SJ 4764/8 in terms of Regulation Regulation(1(b) read together with Regulation 36 and 41 (1) of the MATR as follows:-
- 4.8.2.1 That a long-term right is proposed to be granted in respect of Proposed Portion A of 6 of erf 2291 Durban as Depicted on hand plan SJ 4764/8.
- 4.8.2.2 That the rental be assessed on the open market value.
- 4.8.2.3 That all conditions received from the Municipality service delivery units as detailed in paragraph 5 of this report will form part of the lease agreement to be concluded between the Municipality and the successful tenderer.
- 4.8.2.4 That the property described as Proposed Portion of A (of 6) of Erf 2291 Durban as depicted on hand plan SJ 4764/8 be leased by way of a public tender in accordance with the eThekweni Municipality: Supply Chain Management Policy at a base rental of R119 200.00 (One Hundred and Nineteen Thousand Two Hundred Rand) per annum or R9 933 (Nine Thousand Nine Hundred and Thirty-Three Rand) per month excluding VAT escalating by 8% per Annum and be reviewable every 5 years for a period of 30 (thirty) years.
- 4.8.2.5 That all cost incidental to the shall be borne by the lessee and all the developmental plans must be submitted to the Local Authority for approval prior to any construction.
- 4.8.2.6 That the rental be suspended for the development period stipulated on the bidders proposal or until the practical completion certificate is issued (whichever comes first) from date of registration of the lease to allow for the refurbishment/development of the property, provided that the development period or period until the practical completion certificate is issued does not exceed 3 years from the date of registration of the lease and provided that the capital investment is above R30 000 000 (Thirty Million Rand). That the effective date of the lease be the date of practical completion.
- 4.8.2.7 That should the developer not complete the development within a three 3-year period an application must be made to the Head: Real Estate to submit a request to the Municipal Council to consider an extension of time to complete the development in compliance with suitable terms and conditions as recommended by the Head: Real Estate.
- 4.8.2.8 That subject to the adoption of .1 to .2.7 above and compliance with eThekweni Municipality: Supply Chain Management Policy, the Head: Real Estate be granted authority to sign all documents necessary to conclude the required lease agreement.

- 4.8.2.9 That the designated public open space over Proposed Portion [A] of Erf 2291 Durban as depicted on hand plan SJ 4764/8, be closed in terms of Section 212 of the Local Authorities Ordinance No.25 of 1974 read together with Section 28(2)(e) of the eThekweni Municipality: Planning and Land Use Management By-Law 2016 as amended be closed. Once the Municipal Council approval is received this closure is to be advertised via land use management application process and is to be read together with Section 28(2)(1) of eThekweni Municipality: Planning and Land Use Management B- law 2016, as amended.
- 4.8.2.10 That in the event of objections being lodged the proposed closure of the designated public open space over the property described as Proposed Portion A of 6 of Erf 2291 Durban as depicted on hand plan SJ 4764/8 when it is advertised, the eThekweni Municipality: Planning and Land Use Management By-law 2016 as amended process be followed to attend to these objections.

**ADOPTED.**

- 4.9 Proposed Granting of Long-Term Lease Hold Rights to Use, Control or Manage the Property Described as Remainder of Erf 1068 Sea View for Social Housing Purpose in Terms of Chapter 4 of the Municipal Asset Transfer Regulations (17/2/1/2/5):  
(Page 474: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

The DA abstained both at Support Committee and the Executive Committee level, and with other Political Parties being in support,

COMMITTEE RECOMMENDS:

- 4.9.1 That the Municipal Council declares in terms of Section 14 (a) and (b) of the Local Government Municipal Finance Management Act No 56 of 2003 that:
- 4.9.1.1 The proposed property described as Remainder of Erf 1068 Seaview measuring in extent of the approximately 3.2190 ha is not needed to provide the minimum level of basic municipal services.
- 4.9.1.2 That the Municipality has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset. The asset is regarded as surplus to the requirements of the Municipality for the period of the proposed granting of rights to use, control or manage the said property, subject to the provision that the property be used for social housing development and
- 4.9.1.3 The market value is currently assessed at a value of R15 000 000.00 (Fifteen Million Rand) with an annual market rental value of R1 500 000.00 (One Million Five Hundred Thousand Rand) both exclusive of VAT.
- 4.9.2 That the Municipal council notes the outcome of the public participation process undertaken for the development of social housing in terms of Regulation 35 of the MATR and hereby approves in principle the granting of rights in terms of Regulation 34(10)(b) read with Regulation 13 36 and 41(1) of the MATR for the granting of long-term rights to use, control & manage the property described as remainder of Erf 1068 Seaview measuring in extent of approximately 3.2190 Ha for a period of 50 years. It being recorded that after this lease period has lapsed the control of the aforementioned property and all improvements thereon will revert to the Municipality.

- 4.9.3 That the Municipal Council approves in principle in terms of the Council resolution dated 12 December 2019 that the proposed lease for the exclusive social housing development will be discounted by up to 90% of the fair market related rental value. This calculation of the rental payable by an accredited social housing institution in respect of the property will accordingly be an amount of R150 000 (One Hundred and Fifty Thousand Rand) per annum representing 10% of the market related rental value.
- 4.9.4 That the Municipal Council grants approval the suspension of rental payment during planning, funding approval and construction phase of the proposed social housing development on the property. The conditions specific to the rental suspension during the construction phase will be provided for in the battery of agreements to be concluded between the appointed SHI and the Municipality
- 4.9.5 That the SHI will be required to undertake construction for a period of 36 (thirty-six) months from the date of receiving it letter of award in respect of the site failing which the municipality must excuse its rights to retrieve the site from the SHI and readvertise the property to an alternative SHI from the panel.
- 4.9.6 That the Municipal Council grants in principle that the event of commercial opportunities being created within the proposed social housing developments the commercial leases will be leased at full market value subject to the following:
- (a) That if the SHI wish to change the current use (social housing) to commercial, the SHI will prior change of business use, request approval from the Municipality's Head of Human Settlement and or Deputy Head: Development Planning who shall submit a report to the Council apprising the Municipal Council of the change in use being created within the proposed social housing development.
  - (b) That the Head: Human Settlements shall ensure that the purpose of social housing is retained and not taken over by commercial entities.
  - (c) That all requisite municipal processes is being complied with together with approval being granted for the development plans;
  - (d) That confirmation that all conditions and obligations detailed in the various agreements concluded between the municipality and the SHI including the social housing lease agreement in terms of this proposed development have been compiled with.
- 4.9.7 That all developmental plans and applications must be submitted and approved by the Municipality prior to any commencement of construction.
- 4.9.8 That the Municipal Council delegates the City Manager to sign all documents necessary to give effect to this transaction subject to the provisions and compliance with delegations of authority any processes provided for in the eThekweni Municipality: Supply Chain Management Policy, the Land Disposal and Granting of Rights policy Municipality, the MATR, the MFMA and any other application legislation.

**The recommendations were by, majority vote ADOPTED.**

- 4.10 Proposed Granting of Rights to Use, Control or Manage a Lease on Property Described as Remainder of Erf 2505 Durban, 199 Stephen Dlamini Road as Depicted on SJ Plan 4841/2 by Way of Long-Term Lease (17/2/1/2/5):  
(Page 550: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 4.10.1 That the Municipal Council declares in terms of Section 14 of the Local Government: Municipal Finance Management Act 56 of 2003 that:
- 4.10.1.1 The property described as Proposed lease of Remainder Erf 2505 Durban in extent 1120 m<sup>2</sup> as depicted on Plan SJ 4841/2 is not needed to provide the minimum level of basic Municipal services and is considered to be surplus to requirements of the Municipality.
- 4.10.1.2 The right be granted to use, control or manage the capital asset described as proposed lease Remainder of Erf 2505 Durban in extent approximately 1120m<sup>2</sup> as depicted on SJ Plan No 4841/2 in terms of Regulation 34(1)(b) read with Regulation 36 and 40 of the Municipal Asset Transfer Regulation 2008.
- 4.10.1.3 That the property described in .2 above is not required to provide the minimum level of basic municipal service for a period of 30 years.
- 4.10.1.4 That the current market rental of the property is assessed at a value of R62 000 (Sixty-Two Thousand Rand) per month exclusive of VAT escalating at 7% per annum and reviewable annually.
- 4.10.1.5 That all conditions received from the relevant municipal units as detailed in the report of the Head: Real Estate dated 12 February 2024 will form part of the leave agreement to be concluded between the Municipality and the successful tender.
- 4.10.1.6 That all costs incidental to the transaction shall be borne by the lessee and all the developmental plans must be submitted to the local authority for approval prior to any construction.
- 4.10.1.7 That the rental be suspended for the developmental period on the bidder's proposal or until the practical completion certificate is issued (whichever comes first) from date of registration of the lease to allow for the refurbishment of the property, provided that the development period or period until the practical completion certificate is issued does not exceed 3 years from date of registration of the notarial deed of lease and provided further that the capital investment is above R30 000 000 (Thirty Million Rand).
- 4.10.1.8 That should the developer not complete the development within a three-year period an application must be made To the Head: Real Estate to submit a request to the municipal council to consider an extension of time without any further rental suspension to complete the development in accordance with suitable terms and conditions recommend by the Head: Real Estate.

4.10.2 That subject to the adoption of 1. to 1.8 above and compliance with eThekweni Municipality Supply Chain Management Policy the Head: Real Estate be authorized to sign all documents necessary to conclude the required lease agreement.

**ADOPTED.**

4.11 Request for Approval to Host the Science, Technology, Engineering and Mathematics (STEM) Career Dress Up Outreach Programme for Grade 7 Learners in Primary Schools for Three Years from 2024 to 2026 (6/1):  
(Page 569: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

**COMMITTEE RECOMMENDS:**

4.11.1 That approval be granted to host the Science, Technology, Engineering and Mathematics (STEM) dress up outreach programme for grade 7 Learners in the Primary Schools for) for three 3-years (2024-2026).

4.11.2 That the six schools from previously disadvantaged backgrounds be selected to participate i.e. quintile one (01), two (02) and three (03) schools to be identified by the Department of Education and submitted to the office of the Deputy City Manager: Trading Services for final approval.

4.11.3 That the feedback and updates from the career dress up will be provided to the Human Settlements and Infrastructure Committee once every financial year.

4.11.4 That all Supply Chain Management process will be followed and adhered to for the procurement of all items indicated in the report.

**Financial Implications:**

Budget provision and FC number:

<b>MSCOA and budget provision</b>							
<b>Financial year</b>	<b>BU</b>	<b>Item</b>	<b>Funding</b>	<b>Costing</b>	<b>Project</b>	<b>Region</b>	<b>To be provided</b>
2024/25	68001	10975	12120	0000	39500	0010	R88 685-23
<b>FC Number</b>	<b>2024/68/34</b>						

3-year projected budget: career dress up:

<b>Description</b>	<b>Approximately cost</b>	<b>Estimated cost 24/25</b>	<b>Estimated 25/26</b>	<b>Estimated 26/27</b>
Fuel (NDM Vehicle)	NDM Vehicle mileage/loan of NDM 4X4 vehicle	R5500-00	R6 270	R7 147.80
Fruits (apple/banana/orange)	6 schools	R9360	R10 670.40	R12 164.26

Description	Approximately cost	Estimated cost 24/25	Estimated 25/26	Estimated 26/27
	X 2 Umlazi District x2 Pinetown district and x2 Ugu district			
Trophies		R28 500	R32 490	R37 038
Promotional items		R16 500	18 810	21 443.40
Contingency		R8 380.40	R9 55.66	R10 891.17
Total		R68 240.40	R77 794.06	R88 685.23

**ADOPTED.**

4.12

Progress Report: Grade 7 Career Dress Up: October 2023 in Partnership with the Department of Education Umlazi, Pinetown and Ward 98 and 105:  
(Page 586: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

**COMMITTEE RECOMMENDS:**

That the Career Dress Up Programme for grade 7 be implemented on an annual basis to schools in eThekweni Municipal Area i.e. Department of Education District, Umlazi, Pinetown and Ugu. The learners are encouraged and motivated by programme designed to uplift them in the deep rural communities where is a dire need for education support. This fund and existing programme motivate learners.

**Financial Implications:**

Item	Description	Unit price	Quantity	Estimated amount	Actual amount
Support services, team transport NDM	NDM 13207 support services to Pinetown district, Umlazi and Wards 98 & 105	R150	6 Days	R3000	R1602.02
	NDM 16891 Loan vehicle	R150	6 Days	R1500	R865.36
	NDM 13201	R150	6 Days	R1200	R1158.24
Fruits	Fruits for 6 schools	Each	14 boxes	R5000	R3860
Chips	Chips sponsored by Frimax	R0	Schools	R0	R0
Trophies	Trophies for winners	R25	70	R3000	R1803.20
Contingency				R13 700	R0
<b>TOTAL</b>	<b>R9 288.73</b>				

**ADOPTED.**

- 4.13 Acquisition of Land for Open Space - Proposed Portion of Erf 1354 Umlazi V (Underlying Property Being a Portion of Erf 2312 Umlazi V) as Depicted on Hand Plan No.: SJ4359/3 (17/2/1/2/R):  
(Page 620: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 4.13.1 That Council grants approval for the acquisition of the Proposed Portion of Erf 1354 Umlazi V (underlying property being a portion of Erf 2312 Umlazi-V) as depicted on hand plan number SJ 4359/ for public purpose from the registered landowner being Transnet SOC Ltd being an organ of state via donation, private treaty, or expropriation if necessary, following the appropriate procurement process as prescribed by the relevant legislation, including the Municipal Supply Chain Management Policy, if applicable.
- 4.13.2 That in the event that expropriation is deemed necessary, the Head: Real Estate be authorized to proceed with the expropriation of the proposed Portion of Erf 1354 Umlazi-V (underlying property being a portion Erf 2312 Umlazi-V) depicted on hand plan number SJ 4359/3 for public purpose.
- 4.13.3 That subject to the adoption of .2 above, the Head: Real Estate be authorized to assess compensation in terms of Section 25(3) of the Constitution of the Republic of South Africa Act 108 of 1996 read in conjunction with the Expropriation Act No.63 of 1975, as the proposed acquisition is in the public interest and/or for public purposes and as such the acquisition is deemed compulsory.
- 4.13.4 That subject to the adoption of .3 above, the Head: Real Estate be authorized to conclude the appropriate agreement and sign all the necessary documents to affect the transfer, donation or expropriation and registration in favour of the eThekweni Municipality.

**ADOPTED.**

- 4.14 Request for Approval to Enter Into a Memorandum of Agreement with South African National Roads Agency SOC Ltd (SANRAL) and KwaZulu-Natal Department of Transport (KZN DOT):  
(Page 624: Human Settlements and Infrastructure Committee - Agenda 2023-03-20)

Authority is sought for approval to enter into a Memorandum of Agreement (MOA) with the South African National Roads Agency SOC Ltd (SANRAL) in relation to the funding and implementation of the three community development projects in the vicinity of N2 and N3 routes within the boundaries of eThekweni Municipality and the KwaZulu-Natal Department of Transport (KZN DOT) for registration of servitude of two pedestrian bridges over KZN DoT land, built by SANRAL.

It was advised that SANRAL will implement these projects on their own cost and once upon completion of these projects, will be handed back to the custodianship of eThekweni Municipality. The projects are estimated at R100 000 000.00 (One Hundred Million Rand) which amount shall be borne by SANRAL.

With the Committee being in support of the proposal,



COMMITTEE RECOMMENDS:

That approval be granted to the City Manager to enter into a Memorandum of Agreement (MOA) with the South African National Roads Agency SOC Ltd (SANRAL) in relation to the funding and implementation of the three community development projects in the vicinity of N2 and N3 routes within the boundaries of eThekweni Municipality and the KwaZulu-Natal Department of Transport (KZN DOT) for registration of servitude of two pedestrian bridges over KZN DOT land, built by SANRAL.

**ADOPTED.**

**DIRECT EXCO REPORTS**

5. REVIEW OF DURBAN METRO POLICE UNIT TARIFFS FOR THE 2024/2025 FINANCIAL YEAR (7/6/1/3)

(Page 1)

The Metro Police services provides key service relating to monitoring of road traffic, enforcement of By-laws and crime prevention. To continue providing effective service, the Metro Police Unit seeks to impose a general 5% tariffs increase across the board with effect from 01 July 2024. Should the increase not be achieved, the Municipality risk realizing a loss of income for the various types of Metro Police services rendered and fines charged.

The proposed tariffs increase is in line with market-related charges, cost recovery principles and in certain cases is considered to be a deterrent to unlawful behaviour and are mentioned below:

- i) Removal and storage of vehicles;
- ii) Abnormal load vehicles escorts;
- iii) Traffic control;
- iv) Service of legal documents such as summons and warrants of arrest;
- v) storage of impounded? Abandoned Goods per day;
- vi) Service provision of training;
- vii) Provision of training
- viii) Provision of Meter taxis, minibus and bus permits; and
- ix) Issuing of duplicate documents.

The DA recorded its abstention on this proposal, and with the other Political Parties present being in support,

COMMITTEE RECOMMENDS:

- 5.1 That the eThekweni Municipal Council approves in principle and subject to a public participation process a 5% increase on tariffs levied for the Metro Police Unit operations, which tariffs review is required in terms of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and with the tariffs upon approval, to be implemented with effect from 01 July 2024.

- 5.2 That upon the Council granting a final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**The recommendations were by majority vote ADOPTED.**

6. REQUEST TO APPROVE REVISED VERSION OF THE CITIES INFRASTRUCTURE DELIVERY MANAGEMENT SYSTEM TOOLKIT EDITION 2 OF 2003 WITH THE FRAMEWORK FOR INFRASTRUCTURE DELIVERY AND PROCUREMENT MANAGEMENT (8/1/7/1)

(Page 12)

Authority is sought to adopt revised version of the Cities Infrastructure Delivery Management System (CIDMS) Toolkit Edition 2 of 2023 with the Integration of Framework for Infrastructure Delivery and Procurement Management (FIDPM) as the holistic system for the management of the Municipality's Infrastructure Programme.

It is estimated that the Current Replacement Cost (CRC) of all infrastructure assets within the Municipality is approximately R360 billion. The existing asset base is aging, and significant failures occur frequently. Without implementing strategic, structured, and coordinated approaches to the Infrastructure Asset Management across the entire Municipality, the eThekweni Municipality's service delivery mandate is negatively impacted. Any organisation reform in terms of resources, processes and systems undertaken to improve the Asset Management lifecycle process will have a direct improvement to all other supporting and consequential activities of the entire Municipality.

It will be recalled that in August 2020, the eThekweni Municipality adopted the CIDMS Edition 1 of 2018. During December 2023, the Executive Committee adopted the annual preparation of the Strategic Asset Management Plan (SAMP) and the Integrated Asset Management Plan (IAMP) as key institutional strategic planning and decision-making tools, as required by the National Treasury's CIDMS edition 1 of 2018.

The National Treasury's CIDMS toolkit Edition 2 of 2023, provides a holistic system for the management of infrastructure based on the requirements of SANS 55001: Asset Management Systems requirements, tailored for application in the South African metropolitan cities and specifically in support of the Country's spatial transformation agenda. The CIDMS system also incorporates an infrastructure delivery system based on the National Treasury's Framework for Infrastructure Delivery and Procurement Management (FIDPM) system.

The 1<sup>st</sup> edition of the CIDMS toolkit was initially developed by National Treasury City Support Programme in partnership with the eThekweni Municipality, the City of Johannesburg, and the City of Cape Town in 2018, following demand from Metropolitan Cities for a system to accelerate the delivery of infrastructure and to manage infrastructure portfolios more sustainably. The 2<sup>nd</sup> edition of the toolkit provides updates to the toolkit as a whole and has been informed by lessons in the CIDMS implementation and discussions within the National CIDMS Community of Practice (COP). This revision incorporates inputs from the Climate Resilience and management of resilience infrastructure work undertaken in collaboration with the

World Bank. The changes in the revision of the toolkit are aligned with the FIDPM, and a new module for guidance on the outcome for guidance on the Operation and Maintenance of infrastructure assets has been included.

The key to the successful improvement to service delivery through the implementation of revised CIDMS is the capitation of the relevant Municipal staff and elected officials to play meaningful oversight. Selected officials from the Strategic Management Office, Supply Chain Management, Budget Office, and Office of COO have attended introductory training on the revised CIDMS. Whilst waiting the rollout of the National Treasury's Capacity Building Programme, the Municipality, through the Chief Strategy Officer (CSO), the Chief Operations Officer (COO) and the Chief Financial Officer (CFO) in co-ordination with Supply Chain Management (SCM) will be conducting workshops throughout March 2024 to provide the Municipal officials with an overview of the revised CIDMS toolkit, Edition 2 of 2023, FIDPM and Asset Management Improvement Programme (AMIP).

Accordingly,

**COMMITTEE RECOMMENDS:**

That Council approves the revised version of the Cities Infrastructure Delivery Management System (CIDMS) Toolkit Edition 2 of 2023 with the integration of Framework for Infrastructure Delivery and Procurement Management (FIDPM) as the holistic system for the management of Municipality infrastructure programme.

**ADOPTED.**

7. HOSTING OF CABINET OPERATION SUKUMA SAKHE WITHIN THE ETHEKWINI MUNICIPALITY AREA

(Page 38)

The Council will recall that in its meeting of 29 February 2024 supported the hosting of the Operation Sukuma Sakhe Cabinet Day held on 06 March 2024. The Head of Department for the KwaZulu-Natal Department of Human Settlements, Mr Zungu appreciated Executive Committee and the Municipality at large for supporting this initiative.

The programme was successfully rolled out in eleven (11) Wards of eThekweni under the Kwenza Malembe and the Blessing Ninela zones. In this regard, the Cabinet has approved another Cabinet Day to be held on Wednesday, 27 March 2024, in line with the Human Rights Month celebrated under the theme “**Consolidating and Sustaining Human Rights culture into the future.**” Mention being made that this will build on some contextual issues that have already been established as part of the 06 March 2024 OSS Cabinet Day, and reflected accordingly below:

- (i) eThekweni One Plan Overview
- (ii) eThekweni Operation Sukuma Sakhe Functionality
- (iii) City Wide State of Community Safety report
- (iv) Health Overview report
- (v) eThekweni State of Water & Sanitation; and
- (vi) Strategic Value add Projects Activities

The proposed programme for the day will include a series of activities relating to Access to Justice, Protection of Human Rights, Women Empowerment, and Violence Against Women & Children. Other institutions to be visited include Thuthuzela Centers; Clinics; Hospitals and conduct Operation Siyahlola on water and infrastructure projects.

The programme is implemented just after the labour unrest has engulfed the eThekweni Metro, and which resulted in the disruption of services, primarily, the provision of water, electricity, waste collection, and widespread public protest. Therefore, areas within the eThekweni that were impacted by the strike action will also become priority during this Cabinet Day.

Areas to be visited: Three Zones to be visited are as follows:

- **Victoria Mxenge Zone:** which includes Springfield, Westville, Reservoir Hills, Cato Crest, and Chesterville areas under Wards 23; 24; 25 and 29.
- **Mathew Meyiwa Zone:** which includes areas of Cato Ridge, Ntshongweni, Hammarsdale, Camperdown, and Pinetown under Wards 01; 04; 05; 06; 07 and 91.
- **Prince Cyril Zulu Zone:** which includes areas of Montclair, Bluff, Wentworth, Wema, Lamontville, and Jacobs targeting Wards 74 and 75.

The office of the Premier has commenced with conducting audit and profiling of the identified Wards as part of the preparations for the OSS Cabinet Day.

Build-up Activities/ Activations:

- **War Rooms Functionality Audit**
- **Operation Mbo** commencing Monday, 25 March 2024, targeting Gedleyihlekisa Zone in the CBD including Morningside, Umbilo, and Bonela under Wards 26; 27; 28; 30; 32; 33; and 101.

The HoD Zungu, once again, presented in the Executive Committee and appreciated supports provided by the Municipality during the Provincial-hosted Cabinet Day of 06 March 2024. He then requested support to be given again as the Province embarks on yet another Operation Sukuma Sakhe (OSS) Cabinet Day on Wednesday, 27 March 2024.

The HoD confirmed that the intention is to continue with these service delivery improvements initiatives beyond dedicated OSS Cabinet Days to eventually cover all the Wards. Also, advising that the Province has received a similar request from some of the eThekweni Councillors to expand the scope of this initiative.

The HoD also appreciated Draft Licencing By-Law discussed in this meeting to regulate business operations within the eThekweni Municipal area. He was pleased that this initiative is in line with the vision of the Province, pointing out that in preparation for the Cabinet Day, the Province will start with Operation MBO on Monday, 25 March 2024, and with business licensing being part of the areas to be assessed within the City of eThekweni. The HoD also referred to areas that experienced infrastructural damages in the form of bridges, confirming that during the OSS Cabinet

Day sites affected within the areas to be visited will be handed over to contractors to commence with the bridge rehabilitation process.

In concluding his presentation, the HoD Zungu confirmed that a detailed deployment plan will be developed and communicated to the Municipal leadership to then coordinate resources required accordingly.

Accordingly,

**COMMITTEE RECOMMENDS:**

- 7.1 That Council note updates on the hosting of the Operation Sukuma Sakhe/District Development Model (OSS/DDM) Cabinet Day of 06 March 2024, and a further decision made to host another Cabinet Day to extend interventions to the other eThekweni Municipal areas experiencing service delivery challenges and other related matters.
- 7.2 That in view of .1 above, the Council supports a further OSS/DDM Cabinet Day scheduled for Wednesday, 27 March 2024 within the eThekweni Municipal area, it being recorded that detailed deployment plan will be communicated by the Province in due course and subsequently disseminated to the relevant parties.
- 7.3 That authority be granted for the relevant Clusters to be mobilized by the Area Based Management Unit to respond to the expectations by the Provincial Government with regard to the resources required to host a successful Cabinet OSS/DDM Cabinet Day on the date referred to in .2 above, it being noted that the overall funding required to host the initiative is allocated at the Provincial's Office of the Premier, with no direct costs applicable to the Municipality except the provision of resources to the core service delivery functions of the respective Municipal Units.

**Financial Implications:**

Costs associated with the logistical arrangements will be funded by the Office of Premier.

**ADOPTED.**

8. **REVIEW OF ELECTRICITY TARIFFS FOR DOMESTIC AND BUSINESS FOR THE 2024/2025 FINANCIAL YEAR**

(Laid-on-Table)

The Electricity Unit is one of the key strategic Units in terms of the provision of service delivery to sustain communities and business in eThekweni. The Council will recall that the electricity tariffs increase by the Municipality is depended on the increase imposed by ESKOM. The Municipality is then building up from the provisions by ESKOM to ensure there is no loss incurred by the Municipality in the provision of electricity to residential and the business areas.

ESKOM has proposed a 12.7% increase as of 01 July 2024. Due to this increase, the Municipality is proposing 14% tariffs increase for both domestic and business and to be implemented with effect from 01 July 2024. Failure to implement the proposed tariff will result in under-recovery of funds for service rendered. This will severely impact financial sustainability of the Unit and its ability to continue with effective service delivery.

It is imperative for Council to note that final tariffs will take cognizant of the tariffs guidelines as set by the National Energy Regulator of South Africa (NERSA) and aim to strike a balance against the needs of the Unit. That the review will be subjected to public consultation as part of the budget process.

At this stage of the proceedings, the DA abstained on the matter. With the other Political Parties present being in support,

COMMITTEE RECOMMENDS:

- 8.1 That the Municipal Council resolves to approve in-principle and subject to a public participation process, a 14% increase in electricity tariffs for domestic and non-domestic consumers, it being recorded that this is drawing from an increase of 12.7% set by the National Energy Regulator of South Africa, and with the tariffs review being undertaken in line with the provisions of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and with the tariffs upon final approval, to be implemented with effect from 01 July 2024.
- 8.2 That upon the Council granting a final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**The recommendations were by majority vote, ADOPTED.**

9. REVIEW OF DOMESTIC REFUSE REMOVAL USER CHARGE TARIFFS FOR THE 2024/2025 FINANCIAL YEAR

(Laid-on-Table)

The Cleansing and Solid Waste is responsible for waste management for all communities of eThekweni. For effective service delivery, the Unit requires adequate infrastructure which is costly to operate and maintain. Operational expenses are significantly high due to the escalating cost of vehicle maintenance, infrastructure maintenance, and the recent fuel price increase.

Considering the current economic outlook, the rising interest rates and the negative impact of loadshedding, the Unit is proposing 8% tariffs increase for domestic refuse removal for the 2024/2025 financial year, and to be implemented with effect from 01 July 2024.

At this stage of the proceedings, the DA abstained on the matter. With the other Political Parties present being in support,

COMMITTEE RECOMMENDS:

- 9.1 That the Municipal Council resolves to approve in-principle and subject to a public participation process, 8% increase for domestic refuse removal, and with the tariffs review being undertaken in line with the provisions of Section 75A of the Local Government: Municipal Systems Act No. 32 of 2000, and with the tariffs upon final approval, to be implemented with effect from 01 July 2024.

- 9.2 That upon the Council granting a final approval of the proposed tariffs increase, the City Manager will be mandated to comply with the provisions of Section 75A (3) and (4) of the said Act to display notices of such an increase.

**The recommendations were by majority vote, ADOPTED.**

10. REQUEST BY PRIVATE SECTOR TO ENTER INTO MEMORANDUM OF AGREEMENT WITH ETHEKWINI MUNICIPALITY TO CONDUCT FEASIBILITY STUDY WITHIN THE DURBAN AEROTROPOLIS ZONE

(Laid-on-Table)

As part of efforts to attract investments and developments in eThekweni, authority is sought to enter into a Memorandum of Agreement (MoA) to allow private sector to conduct a feasibility study at no cost to the Municipality, with the sole purpose of compiling a business case to determine financial viability and the socio-economic opportunities of the King Shaka International Airport and the Cornubia precinct.

The Department of Economic Development, Tourism and Environmental Affairs (EDTEA) is driving the Aerotropolis initiative in KwaZulu-Natal in partnership with other key stakeholders, including the eThekweni Municipality, Dube Trade Port, Airport Company South Africa and the private sector.

The main focus of the feasibility study will be on the following:

- **Introduction of Formula 1 racing**  
Formula 1 is one of the world's most significant events and according to available data, the event needs to achieve 500 000 tickets sales for it to be sustainable and ongoing annual event for at least 7-10 years. During the race weekend, it is estimated to attract a least 200 000 visitors to Durban for the week of the F1 meeting, and the estimated value of the social and economic boost is around R4 billion. The targeted area for the racing is Cornubia.
- **Railway Line between Cornubia and Airport**  
The desktop study conducted revealed that a railway link between Cornubia and the King Shaka International Airport would be a critical element for the event's success. this route has been on the card for a long time, and the requirements to transport 500 000 people to and from the race week would provide an excellent economic foundation to construct the 15km light rail.
- **The Zulu Theme Amusement Park**  
As part of coming up with an integrated proposition and profile Durban as a tourist destination of choice, the Zulu Theme Amusement Park is also proposed. The amusement park is planned to be located at Mount Moreland South along the route of the railway link.

This collaboration with the private sector is in the best interest of the Municipality to explore innovative ways in which the implementation of land development projects could be facilitated. The Committee was informed that while the Municipality also has interest and certain projects to implement in the precinct earmarked, but this submission is solely dedicated to the involvement of the private sector for the feasibility study to be undertaken and with the Municipality to continue its initiative with other parties regarding unlocking economic opportunities within the precinct.

At this stage of the proceedings, the DA, while appreciating the Public-Private Partnership recorded its abstention to create an opportunity to conduct its own consultation process as the Report has just been circulated in the meeting and having not been thoroughly interrogated on their side.

With the other Political Parties present being in support,

**COMMITTEE RECOMMENDS:**

- 10.1 That Council notes the development concept proposed by a team from the private sector, led by Mni and Associates, comprising of a Formula 1 facing track within Cornubia, a railway line between Cornubia and the King Shaka International Airport and the Zulu Theme Amusement Park within the Mount Moreland South area, as part of the implementation of the Aerotropolis Master Plan approved by Council in 2019.
- 10.2 That, in view of .1 above, authority be granted for the City Manager to enter into a Memorandum of Agreement with the Private Sector team led by Mni and Associates, for the latter to conduct, using own costs, a full feasibility study, inclusive of a comprehensive financial model, to determine viability of the development of a Formula 1 racing track, railway line and the Zulu Amusement Park, inclusive of the bulk infrastructure requirements, to achieve maximum social and economic value.
- 10.3 That subject to approval of .2 above, the City Manager should report back to the Council within the next twelve months, regarding the progress made in the conclusion of the feasibility study conducted.

**ADOPTED.**

11. FEEDBACK ON APPOINTMENT OF WARD COMMITTEE MEMBER TO FORM PART OF A PANEL TO CONDUCT THE 2022-23 PERFORMANCE ASSESSMENTS FOR THE CITY MANAGER

(Raised Verbally, and to be Read in Conjunction with Item 3, Page 11 of the Council Main Agenda of 26 March 2024)

The Executive Committee meeting, at its meeting of 18 March 2024 discussed the matter relating to the appointment of a panel to conduct the 2022-23 performance assessment of the City Manager. The category of members to form part of the panel is stipulated in Regulation 27(4)(d) of the Local Government: Municipal Performance Regulations. The appointment of a Ward Committee Member is therefore part of the requirement in this regard.

In view of the foregoing, the Executive Committee then resolved to delegate responsibility to the Speaker of Council, in his capacity as the custodian of Ward Committees, to nominate and recommend to the Executive Committee a Member of the Ward Committee to form part of the panel.

Accordingly, the Speaker made submission to the Executive Committee meeting of 22 March 2023 and which submission was accepted accordingly.

On this basis,



COMMITTEE RECOMMENDS:

- 11.1 That the Council approves as part of the panel to conduct the 2022-23 performance assessment for the City Manager, a Ward Committee Member reflected below, as recommended by the Speaker in response to a request by the Executive Committee, and with the nomination being in compliant with the requirements of Regulation 27(4)(d) of the Local Government: Municipal Performance Regulations:

<b>Name and Surname</b>	Mr Siyabulela Lonwabo Njokweni
<b>Ward</b>	32
<b>Academic Qualifications</b>	Diploma in Public Management, obtained from the Durban University of Technology
<b>Contact Details</b>	073 837 8770 <a href="mailto:siyanjokweni@gmail.com">siyanjokweni@gmail.com</a>

- 11.2 That the Council notes the information relating to the nomination of the Ward Committee Member will, in terms of recording, be added in the recommendation of Item 3 of Page 11 of the Council Agenda of 26 March 2024 to complete the panel members required for the performance assessment referred to in .1 above, and to enable the relevant Unit to action the matter accordingly.

**ADOPTED.**

**3. THIRD REPORT OF THE EXECUTIVE COMMITTEE: SPECIAL MEETING HELD ON TUESDAY, 2024-03-26**

**1. DEVELOPMENT OF CORNUBIA TOWN CENTRE PRECINCT (21/6/1)**

(Laid-on-Table)

The eThekweni Municipality previously engaged in a joint venture with the private sector, Tongaat Hulett, to develop the Cornubia precinct. The precinct form part of the catalytic project. The intention of the development in this area is to attract foreign direct investment. It will be recalled that the Tongaat Hulett has gone into business rescue and with a possible liquidation. The Municipality therefore, through the Economic Development Programme & Planning Unit (EDPPU) intends taking full responsibility to mobilise the relevant stakeholders and departments to continue creating a conducive environment to develop the area for investment purposes. Amongst the objectives, is to prevent sale of this prime land at a discounted price and with this to have negative impact on the overall property prices in the area and to adversely affect the City’s rates base.

In view of the foregoing, it is in the best interest of the Council to continue unlocking investment interest in the Cornubia Town Centre, to address the following, amongst the other things:

- (i) The need for upgrading the existing node from a “stagnant” node to a new urban catalytic node working together with all municipal service departments; both private and public investors within the node to create the kernel of a vibrant

new business Precinct within Cornubia and mitigating the current bulk infrastructure planning gaps that stagnate development from the current scenario to a sustainable long-term scenario.

- (ii) Propel dormant sites through continuous collaborations to transform and create complete catalytic nodes of a new bustling vibrant town center within Cornubia and lobby that the relevant municipal service department and entities support the proposed international investment (FDI) with the ADEO group to elevate as the new catalyst investment for the North Region.
- (iii) Ensure that the undeveloped land bought by the Public Investment Corporation (PIC) within the Cornubia Town Centre becomes developable. This to entrench the City’s image as a supportive local government entity able to create a conducive environment for investment in economic development. Post-COVID it becomes particularly important to garner investor confidence of the caliber of PIC with over R2.5 Trillion asset under their management, PIC is well renowned as the biggest Asset Management firm in the South African context and is wholly owned by the government of South Africa.

It should be noted that arising from the infrastructure viability engagements with stakeholders and desktop analysis, it has been revealed that the following infrastructure is required in the next 36-60 months to unlock the development of the key precincts of Cornubia.

1.	Western carriageway & bridge upgrade of boulevard	R170 Million
2.	Electrical Sub-station (30MVA	R120 Million
3.	New HV cable underground line to substation	R30 Million
4.	New MV cable supply to perimeter boundary of site	R10 Million
5.	Relocation of over- head transmission lines to underground	R10 Million
6.	Elevated Water Tower	R40 Million
	<b>TOTAL</b>	<b>R380 Million</b>

It should be noted though that at this stage, the development does not present financial implications to the Council. It being reported that once there are costs implications involved, a separate report will be submitted accordingly in this regard.

The Executive Committee supported the vision of the EDPPU since this has positive economic benefit for the City, in terms of investment promotion and subsequent increase in the City’s economic growth.

Accordingly,

**COMMITTEE RECOMMENDS:**

- 1.1 That Council notes the role of Economic Development Programmes and Planning Unit in facilitating the development of Cornubia Town Centre, a sub-precinct within the Cornubia Catalytic Precinct, and its proposed positioning as a business precinct that will attract new investment, commercial, economic and employment opportunities.
- 1.2 That authority be granted for the Head: Economic Development Programmes and Planning in collaboration with the Development Facilitation Department to lead the Multi-Disciplinary Municipal Task Team to highlight critical infrastructure to render

Cornubia Town Centre development implementable and find solution to bulk services infrastructure to leverage private sector investment and job creation.

- 1.3 That Council notes the prospective international private sector investment which is to be used as a catalyst for the development of the node and greater development.
- 1.4 That Council notes that the Acting Head: Invest Durban will provide investor support services to ensure that the international private sector investment and associated socio-economic benefits are realized.

**Financial Implications:**

The report has no financial implication at this point as the facilitation of EDPP seeks to use and mobilize internal human resources across the relevant department to unlock the development of the Cornubia Town Centre.

**ADOPTED.**

2. REQUEST AUTHORITY TO ALLOCATE FUNDING TO THE KWAZULU-NATAL PHILHARMONIC ORCHESTRA (7/14/1/1 & 20/1/4/5)

(Laid on table)

The eThekweni Municipality has been in the business relationship with the KwaZulu-Natal Philharmonic Orchestra (KZNPO) for the past financial years. The relationship is governed through a Memorandum of Agreement (MoA). The existing MoA is due to expire, and authority is sought to enter into a new MoA. In terms of the MoA, it is proposed to allocate an amount of R23 Million for the 3-year duration, and to disburse such in terms of Section 67 of the Municipal Finance Management Act No. 56 of 2003.

The DA enquired whether there is value for money as a result of this partnership. In response, the attention was drawn to the KZNPO being a center of arts excellence and thus contributing in promoting brand eThekweni thereby profiling the City for potential investors and tourism purposes. Also, the promotion of local economic development through community projects.

Overall, it should be noted that the City will achieve the following benefits as a result of this partnership in the 2024-26 period:

- Positive brand awareness of the City in South Africa and around the world, thus contributing to Tourism;
- Contributing to eThekweni Municipality's creative economy and enhancing the quality of life;
- Showcasing diverse selection of music and artists to foster and appreciating different cultures within the City thereby promoting unity in diversity through different events that attract domestic and international tourists.
- Orchestra to be Ambassadors of the City on both National and International platforms; and
- Showcasing Durban as an attractive destination for investment and tourism

The DA then abstained at this stage as the Report has just been circulated without having prior sight thereof. With the other Political Parties present being in support,

COMMITTEE RECOMMENDS:

- 2.1 That the Council approves continued support of the KwaZulu-Natal Philharmonic Orchestra (KZNPO) as the niche market in Durban widely recognized as a centre of arts excellence which significantly contribute to the marketing and profiling eThekweni and the KwaZulu-Natal Province.
- 2.2 That, subject to the approval of .1 above, authority be granted for the City Manager to, on behalf of the eThekweni Municipality, enter into and sign a three-year Memorandum of Agreement (MoA) with the KZNPO, i.e. 2023-26 financial years, including a total amount of R23 Million, and with R7 Million to be allocated per financial year.
- 2.3 That, in view of .2 above, authority be granted for Deputy City Manager: Economic Development and Planning to facilitate the disbursement of funding to the KZNPO in the amount of R7 681 480.00 (Seven Million Six Hundred and Eighty-One Thousand Four Hundred and Eighty Rand), per each financial year, in terms of Section 67 of the Municipal Finance Management Act No. 56 of 2003, and the terms and conditions of the MoA.

**Financial Implications:**

Vote Number	Amount	Financial year
26001.24970.264.12120.0000.MRC01.W027	R7 681 480.00 (no VAT)	2023/2024
26001.24970.264.12120.0000.MRC01.W027	R7 681 480.00 (no VAT)	2024/2025
26001.24970.264.12120.0000.MRC01.W027	R7 681 480.00 (no VAT)	2025/2026

FC No.: 2024/18/39

**With the DA and the EFF abstaining the recommendations were by majority vote, ADOPTED.**

- 3. NOTING IN TERMS OF SECTION 116(3) OF THE MFMA THE REQUEST FOR ADDITIONAL CONTRACT AUTHORITY FOR CONTRACT NO. 1H-37071 CONSTRUCTION OF CIVIL ENGINEERING SERVICES AT BANANA CITY HOUSING PROJECT (27/7/1/1/3)

(Laid on table)

The Council is requested to note the intention to extend Contract No. 1H-37071, in terms of Section 116(3) of the Municipal Finance Management Act No. 56 of 2003. This relates to additional contract authority required for this project. The Council is requested to note that the project has faced several external challenges affecting both the ability of the service providers to perform and meet the project objectives as well as having influence on the contractual period under which the services are expected to be performed.

Currently, there are delays of approximately 21 months due to the social issues not being timeously resolved and suspension of the contract by the Client. As a result of delays there are escalation in cost to complete all works. A limited number of houses will be built to relocate families in way of construction. It is critical that the relocation and associated cost be included in this contract authority to ensure efficient management of the relocation process.

Below is a summary of additional cost required:

No	Description	Amount
1	Contractors P&G's	R 4 382 602,33
2	Construction of Civil Engineering services	R 2 392 500,00
3	Top structure construction/geotechnical	R 10 389 150,40
4	Professional fees (Engineer/Environ/Town planner/Surveyor)	R 5 702 046,47
5	Subtotal (39,9%)	R 22 806 299,28
6	Escalation	R 2 508 692,92
7	<b>TOTAL</b>	<b>R 25 314 992,20</b>

It is imperative to increase contract authority for the following reasons:

- (i) The non-approval of additional contract authority will result in delays or stoppages leading to community unrest.
- (ii) Contractor will have rights to claim.
- (iii) Incomplete work might cause frustration and anger in the community.
- (iv) **Delay claims due to inefficient rate of production:** The lack of funds to pay the Contractor for proven costs, related to the contractual claims, could result in suspension of the works by the Contractor or even termination of the Contract by the Contractor which will both result in costs to the Employer exceeding the projected costs of the contractual claims.
- (v) **Increased in Quantities:** This is due to unforeseen circumstances both with regards to the topography, rubbish dumping and importation of G7 materials, as well as converting the project from a 'Greenfields to and in-situ upgrade' housing project.
- (vi) **Line departments Design and Specifications:** The exclusion the new changes on this project, specifically with regards to the DEWATS sewer system would result in the installed services not being commissioned or accepted by the Line Departments as it would be deemed to be non-functional without an installed DEWATS sewer services system. Non-approval of the services would lead the project being stalled.
- (vii) **Undercut Platform:** The risk of not achieving compliance/acceptance from either Structural and/or Geotechnical Engineer due to potentially unstable founding for the construction of foundation slabs and top structures, especially where a housing slab straddles both shale and normal subgrades, as per the attached images of the in-situ materials being rubbish. The additional time and cost of using pneumatic tools to carry out excavations for services that would be substantially more than to undercut and replace with G7 material giving and even bearing to the slabs as well.
- (viii) **Protection Works:** Non approval of the protection works could lead to a non-compliance from EDTEA.
- (ix) **Covid-19 Impact on Scheduled Delivery:** Non-approval could lead to the Contractor declaring a dispute and these matters take a long time to resolve and would certainly affect service delivery.

The project is no longer a ‘Greenfields’ housing project but rather an ‘In-situ upgrade’ housing project and thus necessitates the adjustment of practical completion.

**Dates:**

Re-Commencement date on site	<b>12 July 2023</b>
Practical Completion	<b>16 January 2024</b>
Additional time required as per Conditions of Contract	<b>16 Months</b>
Revised Practical Completion	<b>15 May 2025</b>

Clarity was provided in response to the DA, that the relocation plan and beneficiary administration was delayed. That the expectation is to first complete service infrastructure prior to commencing with the construction. That in view of the delays encountered, it then became necessary to request additional project authority to commence with the construction of top structure to free up space for civil works.

His Worship then recommended that arrangements should be made to launch the project. The DA then abstained for the very same reason that they did not have prior sight of the Report. With the other Political Parties present being in support, accordingly,

Accordingly,

**COMMITTEE RECOMMENDS:**

- 3.1 That Council notes the reasons for extending Contract 1H37071, as outlined in (i) – (ix) in the preamble, in terms of Section 116(3) of the Municipal Finances Management Act (MFMA) No. 56 of 2003, for additional contract authority to proceed with the project to construct engineering services at Banana City Housing Project within the Municipality.
- 3.2 That Council notes that the public participation process was conducted as per the public notice issued in compliance with the MFMA requirements, and there were no objections received in this regard.

**A. Current Contract Authority:**

	Original Authority (A)	Expenditure to date (B)	Remaining Authority (C=A+B)
Total Cost to Council	R57 096 111.00	R18 482 506.85	R47 178 020.80

**B. Additional Contract Authority:**

	Amount (A)	VAT (B)	Total (Incl. VAT) (C)	% Increase
<b>Current Contract Authority</b>	R57 096 111,00	R8 564 416,65	R65 660 527,65	
<b>Additional Contract Authority Required</b>	R25 314 992,20	R3 797 248,83	R29 112 241,03	44,3%
<b>Total Contract Authority</b>	R82 411 103,20	R12 361 665,48	R94 772 768,68	

**NOTED.**

3. **FIRST REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

3.1 **UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL (UIFW) EXPENDITURE: MULTIPLE FINANCIAL YEARS FROM 2017/2018 TO DATE (2023/2024)**

(as contained in the Council Agenda 2024-03-26)

COMMITTEE RECOMMENDS:

3.1.1 That in compliance with Section 32(2) of the Local Government Municipal Finance Management Act (MFMA), irregular expenditure amounting to **R24,400,801.50** (Twenty-four million four hundred thousand eight hundred one rands and fifty cents) as detailed in ‘**Annexure A**’ of this report be certified as irrecoverable and written-off by Council based on the outcomes of the investigations of such expenditure.

3.1.2 That it be noted that any consequence management recommendations will be implemented in accordance with the relevant legislation, Council Policy and Procedures; including oversight by the Disciplinary Board for Financial Misconduct.

3.1.3 That the City Manager ensures that consequence management processes are expedited to ensure that errant officials are held responsible for the irregular expenditure incurred, as any delays in this regard can result in disciplinary processes not having prospects of success.

**Recommendation 3.1.1 was ADOPTED and recommendations 3.1.2 and 3.1.3 NOTED.**

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4. **SECOND REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

4.1 **2022/2023 OVERSIGHT REPORT**  
(as laid on table at the Council meeting 2024-03-26)

4.1.1 **Significant Uncertainties**

As disclosed in note 43 to the consolidated and separate financial statements, various legal claims were lodged against the municipality. The ultimate outcome and amount of these claims could not yet be determined.

We have been advised by Management that the Municipality cannot drive the litigation process to get finality in instances where the plaintiffs/claimants fail to do so, as they are the primary drivers of the litigation process. Litigation also generally takes too long to finalise due to the congestion (number of matters) within the courts. It is this congestion which causes delays in getting matters enrolled for trial. It is not uncommon for litigated matters to take as long as five or more years to finalise and the Municipality through its Legal and Compliance Unit has no control over these time factors.

We note that contingent liability claims are reviewed annually to ensure that they are appropriately accounted and disclosed on the interim and annual financial statements. The disclosed contingencies do not have a material impact on the municipality's ability to operate as a going concern. The municipality is financially sound and has accumulated reserves to ensure that any arising debt obligation is paid when due.

Whilst there are some claims that may not have merit, there are factors such as medical negligence, unlawful arrests, unfilled potholes which may result in claims being made against the Municipality.

Therefore,

**COMMITTEE RECOMMENDS.**

That the City Manager establish the factors that contribute to legal claims against the Municipality and ensure that the necessary mitigation measures are instituted to minimise such claims.

**ADOPTED.**

4.1.2 Material Debt Impairments Losses and Write-Offs

4.1.2.1 Material Debt Impairments

As disclosed in note 5 to the consolidated and separate financial statements, the group recognised a provision for debt impairments of R 13,64 billion (2021-22: R10,71 billion) on consumer debtors, as the recoverability of these amounts was doubtful.

Management advises that various strategies are being implemented to reduce the debtor balances. These include debt relief programmes, disconnection of high value debtors, tampering and investigation meetings held weekly, the appointment of external debt collectors to deal with old debt. It was further reported that one-on-one meetings with state owned entities such as Transnet, SANRAL and uShaka Marine World have commenced and are yielding positive results.

Furthermore, we noted that a task team comprising of the KwaZulu-Natal Department of Cooperative Governance & Traditional Affairs, eThekweni Municipality and Ingonyama Trust has been established to deal with the growing Ingonyama Trust debt. The Trust's outstanding debt, we are informed, was originally R270 million.

However, some debt has fallen away through reconciliation. An amount of R40 million was undisputed by both parties and is due for payment by the Trust pending approval by its Board. The balance of the amount owed by the Trust was said to be a subject of reconciliation of the Municipality's Valuation Roll with the Trust-s Fixed Asset Register.

Having noted progress made to recover debt owed to the Municipality,

**COMMITTEE RECOMMENDS:**

That it be noted that quarterly progress reports will be submitted to the Municipal Public Accounts Committee to enable it monitor the effectiveness of remedial actions being taken to reduce the debt owed to the Municipality.

**ADOPTED.**



#### 4.1.2.2 Material Electricity Losses

As disclosed in note 51 to the consolidated and separate financial statements, material electricity losses of 1,05 billion kilowatt hours (2021-22: 1,15 billion kilowatt hours) were incurred by the group, which resulted in losses of R1,37 billion (2021-22: R1,36 billion). These losses arose as a result of transmission and distribution losses as well as illegal connections.

We noted that the electricity losses are a combination of technical losses, which occur naturally when electrical energy is transferred from one point to another, and non-technical losses which are typically caused by the following:

- Theft and illegal bypass of meters
- Illegal recalibration of meters
- Damaged meters and faulty Voltage and Current Transformers ■
- Billing Errors

Management advises that the following interventions have been instituted to mitigate technical losses:

- Optimal configuration of the network
- Effective maintenance the network infrastructure
- Efficient network loading
- Implementation of a strategy to strengthen and reinforce the distribution grid

Measures aimed at reducing non-technical electricity losses have been implemented and are still ongoing:

- Improvement of meter reading management
- Implementation of meter sweep disconnections
- Implementation of credit control disconnections
- Implementation of campaigns for the disconnection of illegal connections
- Implementation of the smart metering programme
- Implementation of the 80/20 Relief Mechanism
- Undertaking a loss categorisation exercise and development of a strategy to respond to the findings of the study.

As we are concerned about the increasing electricity losses which can escalate uncontrollably if not curbed timeously,

#### COMMITTEE RECOMMENDS:

That it be noted that quarterly progress reports will be submitted to the Municipal Public Accounts Committee to enable it monitor the effectiveness of the interventions being taken to reduce electricity losses.

#### **ADOPTED.**

#### 4.1.2.3 Material Water Losses

As disclosed in note 51 to the consolidated and separate financial statements, material water losses of 659 478 kl/day (2021-22: 618 465 kl/day) were incurred by the municipality, which resulted in losses of R2,03 billion (2021-22: R1,99 billion). These losses arose mainly from ageing and deteriorating infrastructure, uncontrolled and unplanned rapid rural expansion, illegal connections and intermittent water supply.

We have noted the following actions which are being taken to reduce water losses:

- The newly established dedicated Water Demand Non-Revenue Water Management (WDNRWM) Department organogram structure will soon be approved and is finalising a robust, realistic, and practical EWS Turnaround strategy and NRW reduction initiatives implementation plan that will be rolled-out in January 2024. The plan includes all collaborative efforts from five departments within EWS namely, Water Design, Water Operations, Customer Services Technical, Admin Customer Services and Auxiliary Department.
- There are several NRW capital projects aligned to resume within EWS namely, Active leak detection and repair (4 packages), NRW reduction professional services contracts (3 packages), other projects include relays and extension, replacement of water pipes, installation and upgrade of reservoir and custody transfer meters, Sunnybrae water mains replacement, Umlazi 4 relay, domestic meter installation, informal area metering, Industrial, commercial and Institution metering.
- Another initiated drive is to meter all housing projects, informal settlements, and all rural areas within eThekweni to drastically reduce NRW. This will also involve installation of water restrictors, revision of water tariffs in all areas especially rural areas including Ingonyama Trust Board (ITB) areas.
- There is also a plan to revive a "war on leaks" campaign, this will be a greater part of the community participation project.
- There are a lot of collaborations and networking with local and international water utilities on NRW namely, City of Cape Town, Sol Plaatje Municipality and Siza Water. Japanese International Corporation Agency (JICA) has also assisted in encouraging collaboration amongst water utilities on NRW issues in Africa and internationally. Countries of collaborations include Nigeria, Zambia, Rwanda, Tanzania, Malawi, Ethiopia, Kenya, Portugal, Germany and Japan.

We are however concerned that the measures being undertaken by Management appear not to be delivering the expected results. We are therefore doubtful that these are indeed the measures needed to reduce water losses. We implore Management to review their actions to determine their impact.

Therefore

#### COMMITTEE RECOMMENDS.

That the City Manager, Deputy City Manager: Trading Services and Head: Water & Sanitation urgently review the Water Loss Reduction Strategy to establish its effectiveness and to establish any further actions required to reduce water losses; with the anticipated timeframe for resolving this matter being indicated.

**ADOPTED.**

#### 4.1.3 Material underspending of the budget

As disclosed in the statement of comparison of budget and actual amounts the group materially underspent the capital budget by R541,33 million; a 90% spend having been reflected as at year end.

We are informed that Finance conducts monthly comparisons to identify any challenges faced by line departments in spending the capital budget; with the root causes of underspending being identified and controls being implemented to manage the risks. Further, line Units were requested to start supply chain management processes immediately after tabling of the draft budget at the Council meeting held at the end of March. In addition, procurement plans were monitored through the Capital Management Committee which also addressed underspending challenges.

We have noted that a Capital Investment Committee meets fortnightly at a Deputy City Manager level to oversee capital spend and manage risks. In addition, the following interventions are being implemented:

- In response to delays in procurement processes, funds were redirected to accelerate projects already underway.
- Challenges with Disaster Management Grants procurement processes were addressed by utilising existing framework contracts to expedite spending.
- Consultations with national and provincial departments were ongoing to expedite business plan approvals.
- Procedures were in place to address disruptions by business forums, including social facilitation and strengthening ward-based structures.
- Consequence management for service providers and increased monitoring of contractors were implemented to improve contractor performance.

We look forward to the implementation of the online procurement system from 1<sup>st</sup> July 2024 which is anticipated to enable online tracking of procurement processes from inception to award. Furthermore, the new system was expected to monitor spending patterns and identify bottlenecks for immediate resolution.

Having noted the measures being implemented

#### COMMITTEE RECOMMENDS.

4.1.3.1 That the City Manager ensures that consequence management measures are instituted against Officials whose actions or inaction results in material underspending of the capital budget.

4.1.3.2 That it be noted that the Municipal Public Accounts Committee would monitor the effectiveness of the interventions being taken to improve capital expenditure through the monthly section 71 reports; with Deputy City Managers being requested to submit recovery plans for any identified areas of under expenditure.

#### 4.1.4 Material findings on the reported performance information

The plan selected for audit by the Auditor General was Plan 3: Create a Quality Living Environment, a plan that measures the municipality's performance on its primary mandated functions and that are of significant national, community or public interest.

The material findings on the reported performance information for the selected plan are as follows:

4.1.4.1 Inadequate Supporting Evidence

The Auditor General could not determine if the reported achievements were correct, as adequate supporting evidence was not provided for auditing. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

<b>Indicator description</b>	<b>Target</b>	<b>Reported Achievement</b>
Percentage of wastewater treatment capacity unused	15% percentage of wastewater treatment capacity unused by 30 June 2023	
Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards	60% of valid customer applications for new electricity connections processed in terms of municipal service standards by 30 June 2023	

The Auditor General reported that some supporting evidence was not provided for auditing; and, where it was, material differences between the actual and reported achievements were identified. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

<b>Indicator Description</b>	<b>Target</b>	<b>Reported Achievement</b>
The percentage of households with access to at least a basic level of water	78,80% of households with access to at least a basic level of water by 30 June 2023	
The percentage of estimated indigent households with access to a free basic service: water	64.73% of estimated indigent households with access to a free basic service: water for the 2022/23 financial year	
The percentage of households with access to at least a basic level of sanitation	70,46% of households with access to at least a basic level of sanitation by 30 June 2023	
The percentage of estimated indigent households provided with free basic services: sanitation	50.02% of estimated indigent households provided with free basic services: sanitation by 30 June 2023	

In response to the Auditor General, Management advised that the Performance Monitoring & Evaluation Unit is working intensively with the Management and Officials of Units to verify results reported and supporting documentation/evidence to prevent future findings; this being an ongoing exercise.

We are concerned that Management continues to provide the Auditor General with insufficient supporting evidence which has resulted in a qualified audit outcome for the performance report.

As it appears that Officials are not being held accountable for their actions

**COMMITTEE RECOMMENDS:**

That the City Manager and Deputy City Manager: Corporate and Human Capital ensure that consequence management measures are instituted against Officials that provide the Auditor General with insufficient supporting evidence for performance information.

**ADOPTED.**

4.1.4.2

Achievement of planned targets

The Auditor-General reported that the Municipality achieved 74,58% of the planned targets for the year in the selected objective; Create a Quality Living Environment. Some of the planned targets that were not achieved are listed in the table below:

Targets Achieved: 74,58% Budget Spent: 94, 79%		
Key Service Delivery Indicator Not Achieved	Planned Target	Reported Achievement
The % of non-revenue water loss.	Less than 56% non-revenue water loss by 30 June 2023	58,200/0
The percentage of households with access to a basic level of electricity within the eThekweni municipal area	66.14% households with access to a basic level of electricity by 30 June 2023. (The percentage households with electricity=overall households connected to the grid @ June 2023/ overall dwelling count @January 2022)	63,870/0
Percentage of valid customer applications for new electricity	60% of valid customer applications for new electricity connections processed in terms of municipal service standards by 30 June 2023	

Targets Achieved: 7458% Budget Spent: 94, 79%		
Key Service Delivery Indicator Not Achieved	Planned Target	Reported Achievement
connections processed in terms of municipal service standards (EE I. 13)		
The percentage of estimated indigent households with access to a refuse removal service once a week	95% of estimated indigent households with access to a refuse removal service once a week for the 2022/23 financial year	

Targets Achieved: 7458% Budget Spent: 94, 79%		
Key Service Delivery Indicator Not Achieved	Planned Target	Reported Achievement
Number of subsidised housing units constructed using storm disaster programme	500 subsidised housing units constructed using storm disaster programme by 30 June 2023	313
Number of subsidised housing units constructed using rectification programme post 1994	368 subsidised housing units constructed using rectification programme post 1994 by 30 June 2023	342
The number of new fully subsidised housing units allocated.	2300 new fully subsidised housing units allocated by 30 June 2023	
Percentage of surfaced municipal road lanes which has been resurfaced and resealed	0,99% of municipal road lanes resurfaced and resealed by 30 June 2023	
The km of surfaced municipal road lanes which has been resurfaced and resealed.	65 kms of surfaced municipal road lanes which has been resurfaced and resealed by 30 June 2023	29,44

In response to the Auditor General, Management advised that the Performance Monitoring & Evaluation Unit is working with the Management and Officials of Units to ensure that targets set are realistic and achievable; and that measures to improve performance are put in place to improve performance, where targets were previously not achieved.

We believe that the only way to improve organisational performance is to ensure its alignment with individual performance; with organisational performance being weighted high in individual performance plans.

Therefore

**COMMITTEE RECOMMENDS.**

That the City Manager and Deputy City Manager: Corporate & Human Capital ensure that consequence management measures are instituted for failure to achieve performance targets; such measures to also include the non-payment of performance bonuses.

**ADOPTED.**

4.1.4.3 Adjustment of material misstatements

The Auditor-General identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Plan 3 Create a Quality Living Environment. Management did not correct all of the misstatements and the Auditor-General reported material findings in this regard.

In response to the Auditor General, Management advised that the indicators, targets and evidence referred to in this finding, are being reviewed and the necessary actions are being taken to address the challenges identified.

We have noted Management’s intentions to address the finding but will need assurance that it has been resolved to prevent a repeat finding.

Consequently

**COMMITTEE RECOMMENDS:**

That the Head: Performance Monitoring & Evaluation submits a report to the Municipal Public Accounts Committee outlining the measures taken to address the finding of material misstatements in the annual performance report in order to prevent a repeat finding.

**ADOPTED.**

4.1.5 Non-compliance with Laws and Regulations

4.1.5.1 Procurement and Contract Management

We have reviewed the Auditor General's findings with regard to procurement and contract management as well the action plans that management has implored to address the findings.

These are outlined below:

AUDIT FINDING	ACTION PLAN
<p>Non-compliance with Municipal Supply Chain Management (SCM) Regulation 17(1)(a) and (c), 1961 and section 116(2) of the MFMA.</p> <ul style="list-style-type: none"> <li>• Sufficient appropriate audit evidence could not be obtained that goods and services with a transaction value of below R200 000 were procured using price quotations as required by Municipal Supply Chain Management (SC<sup>A</sup>M) Regulation and (c).</li> <li>• Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM Regulation 19(a).</li> <li>• Sufficient appropriate audit evidence could not be obtained that the performance of contractors or providers was monitored on a monthly basis as required by section 116(2) of the MFMA.</li> </ul>	<ul style="list-style-type: none"> <li>• All procurement below R200 000 is currently undertaken electronically via SSS as of August 2022. All procurement information is therefore paperless and all audit trails maintained within the JDE system.</li> <li>• The city has embarked on a process to automate the procurement and contract management processes which will assist in reducing the risk of non-compliance associated with the weaknesses identified in the audit findings.</li> <li>• Controls have been built in the automated procurement and contract management processes to address the control weaknesses identified.</li> <li>• Phase I of the automated procurement and contract management process will be implemented in quarter 4 of this financial year.</li> </ul>

AUDIT FINDING	ACTION PLAN
<p>Non-compliance with 2017 Preferential Procurement Regulation 8(2) and 8(5).</p> <ul style="list-style-type: none"> <li>• Invitation to tender for procurement of commodities designated for local content and production, did not stipulate the minimum threshold for local production and content as required by the 2017 Preferential Procurement Regulation 8(2).</li> <li>• Some of the commodities designated for local content and production, were procured from suppliers who did not submit a declaration on local production and content as required by the 2017 Preferential Procurement Regulation 8(5).</li> <li>• Commodities designated for local content and production, were procured from suppliers who did not meet the prescribed minimum threshold for local production and content, as required by the 2017 Preferential Procurement Regulation 8(5).</li> </ul>	<ul style="list-style-type: none"> <li>• All historic contracts procured prior to the introduction of the Preferential Procurement Regulations of 2022 that were exposed to local content non-compliance have been quantified and expenditure will be disclosed as irregular expenditure. All procurement post the introduction of the PPR, 2022 do not require compliance with local content.</li> </ul>
<p>Non-compliance with SCM regulation 46(2)(e) and 46(2)(f).</p> <ul style="list-style-type: none"> <li>• Persons in service of the municipality whose close family members had a private or business interest in contracts awarded by the municipality failed to disclose such interest, in contravention of SCM regulation 46(2)(e) and the code of conduct for Councillors issued in terms of the Municipal Systems Act and the code of conduct for staff members issued in terms of the Municipal Systems Act.</li> <li>• SCM officials who or whose close family members/ partners/ associates had a private or business interest in contracts awarded by the municipality participated in the process relating to that contract, in contravention of SCM Regulation 46(2)</li> </ul>	<ul style="list-style-type: none"> <li>• The automation of the contract and procurement processes will allow each procurement event to be vetted against CSD for any members who are in the service of the state.</li> <li>• Staff and Councillors are encouraged to declare any personal or close family member interests through City Manager circulars.</li> </ul>

We will monitor the effectiveness of these remedial actions.

Consequently



COMMITTEE RECOMMENDS:

That it be noted that the Municipal Public Accounts Committee will monitor the effectiveness of the remedial actions instituted by Management to address the Procurement and Contract Management findings.

**ADOPTED.**

4.1.5.2 Expenditure Management

The Auditor General made to a number findings regarding the Management of Expenditure. We have revised these findings as well as the remedial action being undertaken by Management. These are outlined below:

AUDIT FINDING	ACTION PLAN
<p><i>Pavements not made within 30 days:</i></p> <p>Money owed by the municipality was not always paid within 30 days, as required by section of the MFMA.</p>	<ul style="list-style-type: none"> <li>• Payments are approved when all appropriate and accurate documentation is received, the payment documentation is compliant with all internal policies and processes, and the goods and services received are validated by the authorised officials. These controls are in place to ensure that payments are effected for valid and accurate invoices.</li> <li>• Monthly meetings are held with departments to discuss and resolve challenges resulting in delays in payments due to documentation required to process payments not being submitted timeously.</li> <li>• The on-line payment process will be implemented as per the MSCOA road map and will assist with tracking invoices and all approvals, thus ensuring that payments are processed timeously in accordance with section of the MFMA.</li> </ul>
<p><i>Irregular Expenditure:</i></p> <p>The Auditor-General reported that reasonable steps were not taken to prevent irregular expenditure amounting to R2,41 billion as disclosed in note 52 to the annual financial statements, as required by section 62(l)(d) of the MFMA. The majority of the in-egular expenditure was caused by non-compliance with local content legislation.</p>	<p>Non-compliance with Local Content Legislation - Processes are in place to identify and ensure full disclosure pertaining to:</p> <ul style="list-style-type: none"> <li>• Expenditure identified on continuing and extension of contracts were identified at the 2022/2023 financial year end;</li> <li>• R2,03 billion was approved for write-off by Council and a further R 609m was recommended for write-off by MPAC in the 2023/24 financial year.</li> <li>• The SCM Regulation was amended from 16 January 2023 whereby Local content declarations are no longer a requirement.</li> <li>• The identification of irregular expenditure which the AG deemed incomplete disclosure as at 30<sup>th</sup> June 2023 related to contracts awarded prior to 16<sup>th</sup></li> </ul>

AUDIT FINDING	ACTION PLAN
	<p>January 2023 which continue to be utilised in the delivery of services. The expenditure relating to these contracts is being quantified and reported.</p> <p>Non-compliance with MFMA S116 use of expired contracts: The automation of the tender process will have a significant impact in enforcing compliance and ensuring valid contracts are in place.</p> <p>Not obtaining 3 quotations: A Circular/ memorandum issued by SCM which prevents the overriding of deviations and instituting proper delegations/ escalations will assist with ensuring compliance with obtaining 3 quotations.</p>
<p><i>Presidential Employment Programme:</i></p> <p>Reasonable steps were not taken to ensure that the municipality implemented and maintained an effective system of expenditure control, including procedures for the approval, authorisation and payment of funds for expenditure relating to the Presidential Employment Programme, as required by section 65(2)(a) of the MFMA.</p>	<ul style="list-style-type: none"> <li>• Significant progress was made in improving controls within the administration of the Presidential Employment Programme. Onboarding protocols focused on preventing dual employment while administrative controls were improved to focus on preventing payment if services were not rendered.</li> <li>• Recoveries were initiated for beneficiaries who were in the program and investigation is in progress by the City Integrity and investigations Unit for those that had exited the program at the time of the discovery of the reported findings in the previous year.</li> <li>• Further investigations of reported control breaches during 22/23 financial year will be conducted. The results of these investigations will enable the municipality to initiate various recommended consequence management actions.</li> </ul>
<p><i>Expanded Public Works Programme:</i></p> <p>Reasonable steps were not taken to ensure that the municipality implemented and maintained an effective system of expenditure control, including procedures for the approval, authorisation and payment of funds for expenditure relating to the Expanded Public Works Programme, as required by</p>	<ul style="list-style-type: none"> <li>• A physical verification was done by Internal Control in between September and October 2023, therefore ensuring that no deceased employees are paid. Another verification will be done before the end of the financial year.</li> <li>• Controls within the administration of the EPWP will be assessed and improved.</li> <li>• The EPWP policy has been updated to provide clear guidelines on the implementation of the EPWP programme. The policy is currently in the approval process</li> </ul>

AUDIT FINDING	ACTION PLAN
section 65(2)(a) of the MFMA.	

We will monitor the effectiveness of these remedial actions.

Consequently

**COMMITTEE RECOMMENDS:**

That it be noted that the Municipal Public Accounts Committee will monitor the effectiveness of the remedial actions instituted by Management to address the Expenditure Management findings.

**ADOPTED.**

4.1.5.3 Consequence Management

Disciplinary proceedings were not instituted by the council where the report of independent investigators confirmed the financial misconduct by a senior manager, as required by disciplinary regulations for senior managers 5(6) and municipal regulations on financial misconduct procedures and criminal proceedings 6(8).

Appropriate action was not taken against officials of the municipality where investigations proved financial misconduct, as required by section 171 (4)(b) of the MFMA and municipal regulations on financial misconduct procedures and criminal proceedings 6(8).

Management advises that it is undertaking the following actions to ensure that consequence management is taken against errant employees:

- The Employment Relations Department monthly engages CIU to forward all new reports to be captured in the monitoring schedules to ensure that disciplinary processes are implemented.
- Monthly updates on Financial Misconduct cases are shared with the Human Capital Unit and are referred to the Financial Misconduct Board for investigation.
- Line Managers are requested to present themselves to the financial misconduct board to provide reasons for lack of progress in the implementation of consequence management. The Financial Misconduct Board also monitors non-financial misconduct cases and line management is held accountable for consequence management.
- The Employment Relations Department assigns and provides a resource to support line management to prosecute and/or preside over disciplinary matters.
- The Employment Relations Department will actively monitor all backlog cases and engage and provide support to the relevant line managers to ensure consequence management is implemented.

Having noted these actions

COMMITTEE RECOMMENDS:

That the Deputy City Manager: Corporate & Human Capital submits quarterly progress reports to the Municipal Public Accounts Committee on the implementation of consequence management on financial misconduct related matters.

**ADOPTED.**

4.1.5.4 Environmental Management

The Kingsburgh, Magabeni, Umkomaas, Isipingo, Hillcrest, Mpumalanga waste water treatment works did not have valid operating licences, as required by Section 22(1)(b) of the National Water Act 36 of 1998.

We have noted that Management has commenced the processes of securing operating licenses for the waste water treatment works. We are however concerned that progress is slow which will result in repeat findings in subsequent years.

As we are seriously concerned about the delays in addressing this repeat finding

COMMITTEE RECOMMENDS:

4.1.5.4.1 That the City Manager and Deputy City Manager: Trading Services expedite the processes of ensuring that the Kingsburgh, Magabeni, Umkomaas, Isipingo, Hillcrest, Mpumalanga waste water treatment works have valid operating licences.

4.1.5.4.2 That the Head: Water & Sanitation Unit monitors the expiry dates of operating licences for all water and waste water treatment works to ensure that renewal processes are commenced timeously.

4.1.5.4.3 That appropriate consequence management be undertaken against relevant officials.

**ADOPTED.**

4.1.6 Internal Control Deficiencies

The lack of adequate oversight by the accounting officer to address prior year recommendations resulted in repeat findings in compliance with key legislation relating to environmental, expenditure and consequence management, as well as procurement and contract management.

Senior management did not perform adequate reviews and reconciliation of underlying records to ensure credible performance reporting resulting in repeat findings on performance information.

We have noted the following measures aimed at strengthening internal controls:

- The City is committed to a clean audit. An audit action plan is being finalised to address all audit issues raised.
- The implementation of action plans to correct these audit issues are closely monitored and reported to the audit committee, COGTA and National Treasury on a quarterly basis.

- The ongoing implementation of the Financial Management Capability Maturity Model (FMCMM) system introduced by National Treasury will ensure that audit action plans are monitored from initiation through to implementation so that all findings are resolved, with unresolved matters escalated to the accounting officer for intervention.
- Achievements in the annual performance report - Verification procedures have been put into place to ensure accuracy of evidence and records. Engagements are being continuously held with line management to ensure proper record keeping.

Having noted the Audit Committee also has concerns about the Municipality's internal control environment

**COMMITTEE RECOMMENDS:**

That it be noted that the Municipal Public Accounts Committee will monitor the effectiveness of the measures being undertaken by Management to strengthen internal controls.

**ADOPTED.**

4.1.7 Material Irregularities

4.1.7.1 Current Year Irregularities

We have noted that the Auditor General identified other material irregularities during the audit and notified the accounting officer of these, as required by material irregularity regulation 3(2). By the date of this auditor's report, the Auditor General had not yet completed the process of evaluating the responses from the accounting officer. We note that these material irregularities will be included in next year's auditor's report. Therefore

**COMMITTEE RECOMMENDS:**

That it be noted that the Auditor General identified more material irregularities during the 2022/2023 audit process which will be included in the next audit report as the Accounting Officer's responses are still being under evaluated.

**ADOPTED.**

4.1.7.2 Prior Year Material Irregularities

We have noted that the Auditor General is still in the process of evaluating further actions to be taken to ensure resolution of the material irregularities identified in the prior year; the irregularities being in relation to the following matters:

- Procurement of Surgical Face Masks with Tie-on at Prices higher than recommended.
- Procurement of N95 Masks at Prices higher than the limits in National Treasury's Circular.
- Suspected Material Irregularity Payments made to a Supplier for Services not rendered,

COMMITTEE RECOMMENDS:

That it be noted that the Municipal Public Accounts Committee will monitor the implementation further actions to be taken to ensure resolution of the material irregularities identified in the prior year; once the Auditor General has communicated such actions to the Accounting Officer.

**ADOPTED.**

4.1.8 Conclusion

Having performed the following tasks:

- ✓ Reviewed and analysed of the Annual Report;
- ✓ Invited, received, and considered inputs on the Annual Report;
- ✓ Considered the written comments received on the Annual Report from the public consultation process; v" Conducted Public Hearings to allow stakeholders to make representations on the Annual Report;
- ✓ Received and considered Council's Audit Committee views and comments on the annual financial statements and the performance report; and
- ✓ Prepared the Oversight Report, taking into consideration, the views and inputs of stakeholders, representatives of the Auditor-General and Council's Audit Committee.

Thereafter,

COMMITTEE RECOMMENDS:

- 4.1.8.1 That Council having fully considered the Annual Report of the eThekweni Municipality for the 2022/2023 Financial Year, adopts the Oversight Report for the 2022/2023 Financial Year.
- 4.1.8.2 That Council approves the Annual Report of the eThekweni Municipality for the 2022/2023 Financial Year without reservations.
- 4.1.8.3 That the Oversight Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act 56 of 2003
- 4.1.8.4 That the Oversight Report be submitted to the Provincial Legislature in accordance with Section 132(2) of the Municipal Finance Management Act 56 of 2003.

**ADOPTED.**

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**NOTICE OF MOTION  
IN TERMS OF SECTION 18 OF THE RULES OF ORDER  
BY-LAW, 2014, AS AMENDED**

1. NOTICE OF MOTION: PROPOSED BY COUNCILLOR J ANNIPEN AND SECONDED BY COUNCILLOR J NAIDOO: 22/8/4/1: MORATORIUM ON EVICTIONS AT HOUSING UNITS BY PRIVATE DEVELOPERS (22/8/4/1)

EThekweni Municipality enlisted private developers to build low-middle income housing units for its residents as per Council's Infill Housing Programme. Furthermore, these developments are on Council-owned land and subsidized by Social Housing Regulatory Authority (SHRA).

Further noting that:

These schemes are managed by the KZN Social Housing Company NPC and First Metro Housing Company, and tenants are being evicted. With this Municipality is being cited as respondents in eviction orders, it failed to respond in these orders as required by the PIE Act of 1998 resulting in improper evictions being undertaken.

This Council resolves that:

Executive Committee urgently consider the following recommendations and report its findings to Council in the next sitting:

1. Engage with KZNSHC, FMHC and the SHRA to impose a moratorium on all evictions.
2. Set standard operating procedures and timelines to regularize tenants.

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

2. NOTICE OF MOTION: PROPOSED BY COUNCILLOR ZA SOLOMON AND SECONDED BY COUNCILLOR S SEWSHANKER: FORMATION OF A SUB-COMMITTEE FOR SAFER CITIES TO ADDRESS THE HOMELESS ISSUE (28/1/4)

During the forced lockdown of 2021 the homeless were rounded up and put into temporary tents by the City. The statistics from this time produced a database of over 16 000 (sixteen thousand) people recorded as living on the streets. Twice in the past two years memorandums were handed over to the Mayor's Office regarding the urgency of the homeless situation in eThekweni.

Accordingly, this Council resolves that the Security and Emergency Services Committee considers the below and report back to Council that:

1. The Members of the Safety and Emergency Services Committee urgently form a Sub-Committee under the portfolio Safer Cities to address the homeless issue.
2. This Sub-Committee work with the existing networked stakeholders as named in the memorandum submitted.

3. The formation of the Sub-Committee be based on the Memorandum of Agreement (MOA) already presented, i.e., addition, rehabilitation, basic shelter and step up facilities and re-integration into society.

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

3. NOTICE OF MOTION: PROPOSED BY COUNCILLOR Y GOVENDER AND SECONDED BY COUNCILLOR NJ BOLLMAN: FEASIBILITY STUDY TO BUILD WATER TREATMENT WORKS FOR NORTHERN REGION (23/1/11/2/1/2)

There exists a serious challenge with water as supply exceeds demand. The uMkhomazi project will take 8 (eight) long years to complete for residents to find relief. A short term solution is urgently required.

This Council resolves that:

The Human Settlements and Infrastructure Committee consider the below recommendations and reports back to Council:

1. A feasibility study for eThekweni to build a minimum of 3 (three) small water treatment works, as a short to medium term plan, for the Northern Region.
2. The build specifications may be similar to the Tongaat Water Works, but with increased storage capacity.
3. The study must include financial implications, site identification and projected completion dates.
4. Such feasibility plan must be completed within 3 (three) months.

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



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TB Mbhele  
City Manager  
28 March 2024