

3.7.1 (24/25)



ITEM:



REPORT TO THE MSUNDUZI MUNICIPAL COUNCIL

File Reference:

Author: CLLR ZH Magubane

Report Number:

Designation: CHAIRPERSON:

MUNICIPAL PUBLIC
ACCOUNTS
COMMITTEE

NOT CONFIDENTIAL

1st Level: COUNCIL: (28/05/2025)

FOR APPROVAL AND ADOPTION

SUBJECT: OVERSIGHT REPORT 2023/2024 FINANCIAL YEAR

1. PURPOSE

- 1.1 To Present to Council for Adoption the Oversight Report on the Annual Report for 2023/2024 Financial Year.
- 1.2 To recommend to Council the Adoption of the Annual Report 2023/2024, without reservations

2. BACKGROUND

- 2.1 The Municipal Public Accounts Committee established by Council is responsible for the drafting of the Oversight Report on the Annual Report.
- 2.2 The Adoption of the Oversight Report is the final step in the Annual Report Process of the Municipality and is a requirement in terms of Section 129 of the MFMA, which requires the Council to Adopt an Annual Report.
- 2.3 Once the Annual Report is tabled, the Council has two months in which to consider the report, invite for public submissions and to finalize its Oversight Report.

2.4 Council must consider the Annual Report and Adopt an Oversight Process that includes a statement with one of the following:

- Approval of the report with or without reservations
- Rejection of the report; or
- Referral of the report back for revision of those components that can be revised

2.5 The Oversight Report is a separate document from the Annual Report. The Annual Report is submitted to the Council by the Accounting Officer and the Mayor and is part of the process of discharging accountability by the Executive and Administration for their performance in achieving the objectives and goals set by the Municipality in the relevant Financial Year. The Oversight Report follows considerations on the Annual Report and is considered to be a report of the Municipal Council.

3. LEGISLATIVE PROVISIONS / POLICIES

3.1 Municipal Finance Management Act (MFMA), Act 56 of 2003

3.2 Circular 32 issued by National Treasury

4. COMMENTS FROM THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

4.1 The Annual Report was tabled to Council on the 13th of March 2025

4.2 Immediately after tabling, the Annual Report was made available on the municipal website, as well as the Area Base Management (AMB) offices.

The Annual Report was also made available to the following offices;

- Office of the Auditor General
- National Treasury
- The MEC – KZN Treasury
- The MEC – KZN Department of Local Government and Traditional Affairs

4.3 The Annual Report has been subjected to the Oversight Process as the provisions of S129 of the MFMA and adopted **Oversight Process Plan** on the 2023/2024 Annual Report (Attached as Annexure "A" to the Oversight Report)

4.4 **Advertisements** (Attached as Annexure "B") was placed in the local, communal Newspapers, social and radio mediums, communicating the availability of the Annual Report for the Public to comment and inviting the public to the various meetings. No general public comments were received during this phase as per the advertisement.

4.5 The **minutes** of all the meetings the Msunduzi Municipality held on its Annual Report were discussed, approved by the committee and are attached (as Annexure "C" – "I") as part of the Oversight Report, which has been distributed separately.

4.6 Attached as Annexure "J" is the **Annual Report Checklist** issued by National Treasury. This serves as a guide to determine whether all the requisite content is contained in the Annual Report of 2023/2024 financial year.

- 5.7 Attached as Annexure "K" is the letter to National Treasury, that requested for an extension to submit the Oversight Report guided by the report to Council which was adopted by Council for the Acting Municipal Manager to write to National Treasury in this regard.

Overview of the Findings of the Municipal Public Accounts Committee on the Annual Report 2023/2024

- The Municipal Public Accounts Committee is satisfied that the 2023/2024 Annual Report has been through vigorous process that complies with relevant legislation as well as an Oversight Process Plan.
- Various amendments have been affected and do not warrant specific mention in this report as they have captured in the attached minutes.

The Municipal Public Accounts Committee noted the sustained Qualified Opinion for the Fourth year in a row and the committee is of the firm view that the following audit outcome will produce a clean audit opinion, given the amount of work that has produced the qualified opinion in the year under review. These negative audit outcomes seem to continue to contribute to the status quo. According to the Auditor General, the municipality struggled with a "going concern uncertainty" meaning there were doubts about its ability to continue operating, particularly due to long creditor payment period, high debts levels, and significant water losses.

5. IMPLICATIONS:

5.1 FINANCIAL

The Oversight meetings were open to the public and the public was notified by means of newspaper publication in the local newspapers and by means of digital media utilized by the Municipality through its communication department. The total cost for the print media was R42 970.99

5.2 LEGAL

That the report has been compiled according to the requisite legal requirement as per the Municipal Finance Management Act, No.56 of 2003 (MFMA) and circular 32 as issued by the National Treasury.

5.3 COMMUNICATION

- 5.3.1 The Oversight meetings were open to the public and the public was notified by means of newspaper publication in the local newspapers and by means of digital media utilized by the Municipality through the communication department.

5.4 SERVICE DELIVERY IMPLICATIONS

The direct impact to the Citizens is transparency and give the community of Msunduzi direct access to Management to account on the Annual Report under review through the Oversight of MPAC as Committee of Council.

6. RECOMMENDATIONS

IT IS RECOMMENDED THAT:

- 6.1.1 That the Senior Manager: Revenue, in consultation with the Committee Officer submits a
- 6.1.2 report on the banking charges to the next Municipal Public Accounts Committee (MPAC) meeting.
- 6.1.3 That the Municipal Manager (Acting) ensures that payment arrangements to Umgeni Water and ESKOM are adhered to and implement stricter cost containment procedures in the organisation.
- 6.1.4 That the Chief Financial Officer (Acting) ensures that revenue collection for services in areas that were not being charged, are implemented accordingly and that a comprehensive report to this effect be submitted to the Municipal Public Accounts Committee (MPAC).
- 6.1.5 That the Chief financial Officer (Acting) ensures that the Credit Control Policy is implemented for disconnections and the theft of water and electricity in each Ward of the Msunduzi Municipality.
- 6.1.6 That the Chief Financial Officer (Acting) ensures that strategies for theft of water and electricity is implemented, and a comprehensive report thereto be submitted to the Municipal Public Accounts Committee (MPAC).
- 6.1.7 That the Chief Financial Officer submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the implementation of meters for unmetered areas such as Henley Dam and Ambleton.
- 6.1.8 That the Chief Financial Officer ensures that operation Qoqimali is revived for revenue collection.
- 6.1.9 That the Chief Financial Officer, in consultation with the mayor, ensures that the Municipality is fully migrated to an automated revenue system to resolve revenue and billing issues.
- 6.1.10 That the Chief Financial Officer ensures that the budget of 3% for repairs and maintenance for infrastructure is increased and other funding models, such as the Bulk Infrastructure Grant be considered.

- 6.1.11 That the Municipal Manager (Acting) in consultation with the Deputy Municipal Manager: Infrastructure Services, submits a comprehensive report highlighting the strategies to prevent the Msunduzi Municipality's infrastructure from vandalism and theft.
- 6.1.12 That the Chief Financial Officer in consultation with the mayor engages with National Treasury in respect to the late fiscal dumping; noting that this was one of the causes of the qualified audit outcome for the 2023/24 financial year.
- 6.1.13 That the Municipal Manager [Acting] ensures that the biometrics system is implemented in all Business Units of the Msunduzi Municipality to curb overtime.
- 6.1.14 That the Manager: Debtors submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the theft of water and electricity for each Ward in the Msunduzi Municipality.
- 6.1.15 That the Manager: Performance Management amends the report accordingly to reflect all the activities of the Sustainable Development and City Enterprises Business Unit, particularly the Town Planning Unit as outlined by the Senior Manager: Town Planning and Environmental Management.
- 6.1.16 That the Deputy Municipal Manager: Sustainable Development and City Entities submits a comprehensive report to the next Municipal Public Accounts Committee on the Wire-wall.
- 6.1.17 That the Manager: Performance Management ensures that the Municipal Public Accounts Committee (MPAC) was informed of the appropriate amendments to the Annual Report
- 6.1.18 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the vacancy rate in terms of the posts that were declared vacant regardless of the budget.
- 6.1.19 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding revenue collection in the Traffic Unit.
- 6.1.20 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding the composition and functions of the Area Based Management (ABM) Unit.
- 6.1.21 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the Security and Land Invasion Units in terms of the number of vacancies, resources required to manage the Unit, and the Nature Reserve, the number of firearms and their functions.

- 6.1.22 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report in terms of the statistics of Wards that were being billed for refuse collection and those that were not billed.
- 6.1.23 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding the composition of a community-based programme in Wards in terms of recycling to enable job creation.
- 6.1.24 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the security of community halls in terms of the procurement of surveillance cameras and contracting security companies for response purposes.
- 6.1.25 That the Deputy Municipal Manager: Community Services (Acting) ensures that the monitoring of the study for the Section 78 for the crematorium sites is continuously done.
- 6.1.26 That the Deputy Municipal Manager: Community Services (Acting), in consultation with Safe City, submits a report on the statistics for the Notice of Contraventions issued to determine the revenue collected for the city.
- 6.1.27 That taking into cognizance the concerns raised at the current Oversight meeting, the Deputy Municipal Manager: Corporate Services in consultation with all Deputy Municipal Managers and the Municipal Manager [Acting] submits a comprehensive report in terms of the high vacancy rate for the entire Municipality which outlines the reasons that they are not filled, whether the post was declared, the number of funded posts and whether consequence management was taken against managers and Chairpersons of recruitment panels who were responsible for the delays in the recruitment processes.
- 6.1.28 That taking into account the concerns raised at the current Oversight meeting, the Deputy Municipal Manager: Corporate Services submits a detailed consequence management report in terms of the reasons for the delays experienced in finalizing cases, backlog and strategies to expedite them.
- 6.1.29 That the Deputy Municipal Manager: Corporate Services submits a comprehensive report on the Area Based Management (ABM) Unit in terms of their functions and composition.
- 6.1.30 That in respect to the delay in consequence management and the high vacancy rate for the entire municipality, a special meeting be convened, noting that the Committee Officer in consultation with the Municipal Public Accounts (MPAC) Manager will submit the details of the meeting to members of the Committee.
- 6.1.31 That the Manager: Performance Management rectifies the amendments in the report in terms of the following:
- the financial year be rectified on page 136 of the report under the heading,
 - Councillors Zuma and Majola names be removed from the Councillors list

- the Councillor's attendance be included under the Speaker's Office
- Councillor R Niemand's name be rectified to "RIENUS"
- additional information for the Security Committee be inserted in the report.

6.1.32 That the Deputy Municipal Manager: Infrastructure in consultation with the Human Resources' Unit addresses the high vacancy rate in the Unit and submits a report thereto to the next meeting of the Municipal Public Accounts Committee.

6.1.33 That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the number of storm water drains that were blocked and strategies to address blockages.

6.1.34 That the Deputy Municipal Manager: Infrastructure Services submits a detailed report to the Municipal Public Accounts Committee (MPAC) regarding the status of the boreholes in the Vulindlela area.

6.1.35 That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the infrastructure upgrade, in terms of the key focus areas, cost, timeframes and potential funding model for inclusion on the Water Services Development Plan.

6.1.36 That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the number of unmetered households and metered households in the Msunduzi Municipality.

6.1.37 That the Deputy Municipal Manager: Infrastructure Services ensures that the transformers are removed in areas where the theft of electricity is high.

6.1.38 That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee on the Water Services Development Plan.

6.1.39 That the Deputy Municipal Manager: Electricity Supply Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the electricity losses and the strategies to address the theft of electricity.

6.1.40 That the Municipal Public Accounts Committee (MPAC) conducts onsite inspections on the completed projects outlined by the Infrastructure Services Business Unit and the Electricity Services Supply Unit at the current meeting.

6.1.41 That the Manager: Municipal Public Accounts Committee, in consultation with the Acting Municipal Manager, submit a report to council expressing the concerns raised by the Committee regarding their lack of support and the absence of the Forensic Unit.

- 6.1.42 That the Acting Municipal Manager submits a report to Council recommending that the Forensic Unit be relocated to Internal Audit Unit subsequently withdrawing what the previous Municipal Manager recommended to separate the two which will then further strength the unit by amalgamating them.
- 6.1.43 That the Acting Municipal Manager submits a report to Council recommending that all Wards have the necessary resources, tools of trade suitable for servicing their respective communities.

Furthermore

- 6.1.44 That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report to MPAC regarding the implementation of the resolution pertaining to the Single Law Enforcement Unit.
- 6.2 The Municipal Public Accounts Committee and Full Council to enable effective oversight in that Council mandates the Accounting Officer to ensure all follow up reports as listed herein this report, must be submitted to the Portfolio Committees, Municipal Public Accounts Committee, Executive Committee & Council.
- 6.3 That, Council mandates the Accounting Officer to ensure all follow up reports as listed herein this report, be submitted to the Portfolio Committees, Municipal Public Accounts Committee, Executive Committee & Council to ensure and achieve proper oversight on this report and all matters wherein.
- 6.4 That, the continuing discrepancies on registers and Portfolio of evidence (POE) files must come to an end and that Deputy City managers of all business units must ensure that they audit the information being submitted to Performance Management Systems (PMS) office.
- 6.5 That, the Municipal Public Accounts Committee does not support payment of performance bonuses, rewards, incentives as per the approved individual Performance Management System Policy for the 2023 / 2024 Financial year in view of the continued poor performance and that this sentiment be considered during the assessments as per the approved IPMS policy.
- 6.6 That, Municipal Council approves the Annual Report of the Msunduzi Municipality 2023/2024 without reservations.
- 6.7 That the Oversight Report be made public in accordance within Section 129(3) of the Municipal Finance Management Act 56 of 2003.
- 6.8 That the 2023/2024 Annual Report and Oversight Report, including the minutes where the Annual Report was discussed, be submitted to the following Offices in terms of Section 129 (2) of the MFMA: -

- National Treasury;
- Auditor General;
- MEC: Cooperative Governance and Traditional Affairs;
- MEC: Provincial Treasury;

6.9 That, the Oversight Report of the 2023/2024 financial year be made public in accordance within Section 129(3) of the Municipal Finance Management Act 56 of 2003.

7. SUBMITTED BY:


CHAIRPERSON

CLLR ZH Magubane

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

DATE: 12 May 2025

12/05/2025
PIETERMARITZBURG
CITY HALL
INFO - CENTRE

R424

3.7.1(24/25)



OVERSIGHT REPORT

FOR THE FINANCIAL YEAR

2023 / 2024

Councillors:

**Chairperson of the Municipal Public Accounts Committee
Councillor ZH Magubane**

**Councillor R Khanyile
Councillor TG Ngubane
Councillor R Niemand
Councillor DB Phungula
Councillor JJ Ngubo
Councillor S Reddy
Councillor P Sithole
Councillor T Zondi
Councillor S Zuma
Councillor MB Zuma
Councillor L Mgaga
Councillor B Mkhize
Councillor S Mncwabe**

Administrative Support:

**Mr Hlalani Zondi: Office of the MPAC Chair : Chief Administrator
Miss Kavina Christian: Personal Assistant: MPAC Chair
Mr Bongakonke Halimana : Manager: Organizational Compliance, Performance & Knowledge
Management**

Miss Claudette Jacobs: Committee Officer

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1. INTRODUCTION

The Annual Report is a key instrument of transparent governance and accountability. It is a post-financial year document, which provides an overview of the process of financial and non-financial performance in respect of the previous financial year, in this instance 2023/2024.

The Municipal Finance Management Act (MFMA) assigns specific oversight responsibilities to Council in respect of the Annual Report and the preparation of an Oversight Report.

Given the processes required by Council to effectively undertake its oversight role, the establishment of a Municipal Public Accounts Committee of Council will provide the appropriate mechanism in which Council could fulfill its oversight responsibilities.

The Municipal Public Accounts Committee and herein referred to as the Oversight Committee, has the primary role to consider the Annual Report, receive input from the various role players and to prepare a draft Oversight Report for consideration and adoption by Council.

2. BACKGROUND

The oversight role of Council is an important component of the financial reforms, and it is achieved through the separation of roles and responsibilities between Council, the Executive (Mayor and Executive Committee) and Administration. Good governance, effective accountability and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.

Non-executive Councillors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the Executive (Mayor/Executive Committee). In other words, in exchange for the powers which Council have delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the municipality.

The Municipal Finance Management Act, No.56 of 2003 (MFMA) vests in Council specific powers of approval and oversight.

- ✓ Approval of budgets;
- ✓ Approval of Budget related Policies; and
- ✓ Review of the Annual Report and adoption of the Oversight Report.

3. THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

3.1 COMPOSITION

The Municipal Public Accounts Committee is a Committee of Council established under section 79 of the Municipal Structures Act, 1998. Due to the separation of roles and responsibilities between Council and the Executive (Mayor and Executive Committee) it is not appropriate that members of the Executive Committee be members of the Oversight Committee.

The Municipal Public Accounts Committee consists of the following Councillors as nominated and appointed in November 2021 by Council -

Councillor R Khanyile
Councillor TG Ngubane
Councillor R Niemand
Councillor DB Phungula
Councillor JJ Ngubo
Councillor S Reddy
Councillor P Sithole
Councillor T Zondi
Councillor S Zuma
Councillor MB Zuma
Councillor L Mgaga
Councillor B Mkhize
Councillor S Mncwabe

Councillor **ZH Magubane** serves as Chairperson of the Municipal Public Accounts Committee.

3.2 AUTHORITY AND POWER

The Municipal Public Accounts Committee is a Council Committee established in terms of sections 33 and 79 of the Municipal Structures Act, No. 117 of 1998. In terms of line of accountability, the Committee accounts directly to Council.

The Municipal Public Accounts Committee is delegated the responsibility to conduct meetings and to hold public hearings to review and hear public submissions on the Annual Report, on behalf of Council.

Timely notice of all meetings should be given, and all meetings held by the Municipal Public Accounts Committee must be open to the public and minutes of the meetings must be submitted to Council meetings.

3.3 ANNUAL REPORT OVERSIGHT FUNCTIONS

The Annual Report oversight functions of the Municipal Public Accounts Committee are to:

- ✓ Undertake the review and analysis of the Annual Report.
- ✓ Invite, receive, and consider input from Councillors and Portfolio Committees on the Annual Report.
- ✓ Consider written comments received in respect of the Annual Report from the public consultation process.
- ✓ Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report.
- ✓ Receive and consider Council's Audit Committee views and comments on the annual financial statements and the performance report.
- ✓ Preparation of the Oversight Report, taking into consideration the views and input of the public, representative(s) of the Auditor-General, organs of state, Council's Audit Committee and Councillors.

4. THE OVERSIGHT REPORT PROCESS PLAN

Section 129 of the Municipal Finance Management Act (Act 56 of 2003) requires the Council to consider its Annual Report and to adopt an Oversight Report. Furthermore, that MPAC interrogates the Annual Report in line with Circular 32 of the MFMA.

In order for the Municipal Public Accounts Committee to conduct its oversight over the 2023/2024 Annual Report, an Oversight Process Plan was developed and adopted by Council on the 13th of March 2025 (**attached as Annexure "A"**), because the Auditor General's report to Council was received later than the normal time and that, the Annual Report was only tabled in March 2025.

The approved Oversight Process Plan in respect of the 2023/2024 Annual Report indicates amongst others, that the Municipal Public Accounts Committee should scrutinize the Annual Report and all other supporting documents, solicit comments from the public, generate questions and submit to the City Manager for written responses, hold public meetings, draft an oversight report and unanimously adopt it prior to this report serving in Council within two months.

The Annual Report 2023/2024 was submitted to Council at its meeting held on the 13th of March 2025 and was referred to the Municipal Public Accounts Committee subject to minor amendments to the Report. The community was notified through print (local newspapers) and social media of the availability of the Annual Report and were invited to submit representations on the report (**attached as Annexure 'B'**).

The Annual Report was available at all Area Based Management (ABM) satellite offices in the 5 Zones, the municipal Information Centre at City Hall and the office of the Acting Municipal Manager. It was also placed on the Msunduzi Municipality website (www.msunduzi.gov.za). The Public was invited to the tabling of the Oversight Report to Council on 30th of April 2025 through the internal Communication section.

Meetings of the Oversight Committee were scheduled and held as follows initially:

No.	Date	Item/ Business Unit
1.	12 February 2025	Introductory Meeting
2.	27 March 2025	Sustainable and Economic Development Services
3.	2 April 2025	Financial Services
4.	03 April 2025	Community Services
5.	09 April 2025	CBU (Offices of the Mayor, Speaker, MM and Internal Audit & Oversight Report Checklist)
6.	03 April 2025	Infrastructure Services
7.	18 March 2025	Corporate Services
8.	15 April 2025	Confirmation of Minutes, Presentation of Draft Oversight Report, Presentation of revised Annual Report 23/24
9.	30 April 2025	Presentation of Oversight report to Council

General Managers and Senior Management were requested to attend the meetings of the Oversight Committee on the respective relevant dates.

12 FEBRUARY 2025 – INTRODUCTORY MEETING

REFER ANNEXURE 'C'

This was an introductory meeting, which included a general presentation outlining the Oversight process and requirements. Members were advised that invitations to meetings of the Municipal Public Accounts Committee were sent to all General Managers of the Municipal Manager including those who were acting during the time of the Oversight process. It was stated that reminders were also forwarded before each meeting and that members of the public will be notified through written media publication.

02 APRIL 2025 – COMMUNITY SERVICES

REFER ANNEXURE 'D'

The following sections were dealt within in the Community Services section:

- Waste Management
- Theaters
- Cemeteries
- Bio-Diversity & Landscaping
- Traffic & Public Safety
- Fire Services
- Sports and Recreation
- Library Services
- Waste Management (Landfill Site)

The Business Unit submitted various changes and omissions in the Annual report that the committee agreed to accept and resolved to submit within 48 hours after the meeting to the Organizational Performance Management Office for final printing of the Annual Report.

18 MARCH 2025 – CORPORATE SERVICES

REFER ANNEXURE 'E'

The following sections were dealt within in the Corporate Services section:

- Political Governance and Administrative Governance
- Human Resources
- Information and Communication Technology (ICT) Services
- Legal Services
- Organizational Development Performance

The Business Unit submitted various changes and omissions in the Annual report that the committee agreed to accept and resolve to submit within 48 hours after the meeting to the Organizational Performance Management Office for final printing of the Annual Report.

27 MARCH 2025 – SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES

REFER ANNEXURE 'F'

The following sections were dealt within in the Sustainable Development and City Enterprises section:

- Planning
- Local Economic Development
- Airport
- Building Control and Signage
- Market
- Human Settlement
- Environmental Health
- Art Gallery
- Environmental Management

The Business Unit submitted various changes and omissions in the Annual report that the committee agreed to accept and resolve to submit within 48 hours after the meeting to the Organizational Performance Management Office for final printing of the Annual Report.

02 APRIL 2025 – BUDGET AND TREASURY (FINANCIAL SERVICES)

REFER ANNEXURE “G”

The following sections were dealt within in the Budget and Treasury (Finance Services)

- Indigent (Free Basic Services)
- Financial Services
- Supply Chain Management
- Fleet Management

The Business Unit submitted various changes and omissions in the Annual report that the committee agreed to accept and resolve to submit within 48 hours after the meeting to the Organizational Performance Management Office for final printing of the Annual Report.

20 MARCH AND 03 APRIL 2025 – INFRASTRUCTURE SERVICES BUSINESS UNIT

REFER ANNEXURE “H”

The following sections were dealt within in the Infrastructure Services Business Unit

- Water Services
- Roads and Transportation Services
- Electricity supply services

The Business Unit submitted various changes and omissions in the Annual report that the committee agreed to accept and resolve to submit within 48 hours after the meeting to the Organizational Performance Management Office for final printing of the Annual Report.

Note: The reason for the two dates for this business unit are stated fully on the minutes of the first date of 20 March 2025.

09 APRIL 2025 – CORPORATE BUSINESS UNIT (CBU)
REFER ANNEXURE 'I'

The following sections were dealt within in the Corporate Business Unit section:

- Office of the Mayor
- Office of the Speaker
- Office of the Municipal Manager
- Internal Audit
- Report of Audit Committee and Recommendations

The Business Unit submitted various changes and omissions in the Annual report that the committee agreed to accept and resolve to submit within 48 hours after the meeting to the Organizational Performance Management Office for final printing of the Annual Report.

16 APRIL 2025 - DRAFT OVERSIGHT REPORT

The following matters were dealt within at the meeting:

- Confirmation of Minutes of previous meetings
- Annual Report Checklist
- Draft Oversight Report
- Presentation on the revised Annual Report 2023/2024

The Annual Report Checklist (**attached as Annexure “J”**) was issued by the National Treasury and serves as a guideline to determine whether the requisite content is contained in the Annual Report of 2023/2024.

Attached as Annexure “K” is the letter to National Treasury, that requested for an extension to submit the Oversight Report guided by the report to Council which was adopted by Council for the Acting Municipal Manager to write to National Treasury in this regard.

5. OVERVIEW OF THE FINDINGS & RECOMMENDATIONS ON THE 2023/2024 ANNUAL REPORT

The Municipal Public Accounts Committee is satisfied that the 2023/2024 Annual Report has been through a vigorous process that complies within relevant legislation as well as an Oversight Process Plan.

The Committee observed a considerable improvement in the context compared to previous years, which was noted in the Annual Report, as tabled. The committee unanimously noted and agreed that, to improve the quality of the Annual report, all business units, and committees of council must ensure the accuracy of the information for correctness of the Annual report. Minor additions were made such as footnotes to various tables and editing corrections. These do not warrant specific mention in this report and are captured in the attached minutes. Matters arising from the minutes have been incorporated into the report.

The Municipal Public Accounts Committee noted the sustained Qualified Opinion for the fourth year in a row and the committee is of the firm view that the following audit outcome should produce a clean audit opinion, given the amount of work that has produced the qualified opinion in the year under review. These negative audit outcomes seem to continue to contribute to the status quo. According to the Auditor General, the municipality struggled with a “going concern uncertainty” meaning there were doubts about its ability to continue operating, particularly due to long creditor payment period, high debts levels, and significant water losses.

The Municipal Public Accounts Committee takes pleasure in presenting the Oversight Report to Council and consider the following resolutions:

IT IS RESOLVED TO RECOMMEND:

5.1

- Concern was raised regarding the manual accounting system that was currently being used and it was indicated that it was previously recommended that an automated revenue system be implemented as per the Municipal Financial Management Act (MFMA), which would assist tremendously with revenue related issues. The Committee requested the Municipal Manager Acting] to inform them of the issues they encountered in terms of procuring this system.
- Clarity was sought on the payment plan for ESKOM and Umgeni Water and whether challenges were being encountered regarding this. It was recommended that the Chief Financial Officer [Acting] submits a report to the Committee on the delay in terms of the write-offs by ESKOM and the impact it had on the quality of the audit outcome.
- Concern was raised on the low budget for repairs and maintenance for infrastructure which was 3.87%. It was believed that consideration should be taken into account for the infrastructure and non-revenue water to avoid functioning at a disadvantage; hence, it was proposed that a substantial budget be allocated for this.

- Clarity was sought on the sale of electricity and water in terms of the R336m for electricity and R178m for water which was due to the material losses, illegal connections and vandalism. It was noted that this issue had been raised previously, however, action plans had not been implemented particularly for the protection of the infrastructure in terms of vandalism.
- Concern was raised in terms of the non-collection of revenue in volatile areas and it was mentioned that previously a suggestion had been made for a joint operation to be formed, to address this issue; however, since the non-collection of revenue in those areas, it was assumed that this had failed.
- In terms of credit control, it was proposed that the Financial Services Unit be transparent as credit control and the implementation of the policies were not done in certain areas in the city and credit control was not taking place. To ensure the implementation of the Credit Control Policy, it was recommended that the Annual Report be a true reflection of which Wards credit control was not undertaken and the problems that the Unit faced regarding that. It was further emphasized that the Committee had requested that information from the Unit previously; however, it had not been provided. Clarity was sought on the negative cash flow as indicated in the report and the turn-around strategy.
- Clarity was sought on the false number of indigent declarations in the report and it was perceived that this was a criminal offense. It was felt that there was no success in this area, considering the statistics of the Msunduzi and the Department of Cooperative Governance and Traditional Affairs (COGTA) report on the number of indigent people who were 40 000 in the register.
- Concern was raised about the unauthorised, irregular, fruitless and wasteful expenditure (UIFW) reduction and it was felt that this issue was basically crime related irrespective of it being reduced.
- It was expressed that the revenue that Council collected did not equate with the revenue spent. It was cited that the amount that Council brought in versus the amount paid out was insufficient, as this would result in a continuous deficit.
- Clarity was sought in terms of the underspending of the conditional grants and the relation of the legislation to address the fiscal dumping.
- It was stressed that finance in the city was a key role and the UIFW was still significantly high irrespective of it being reduced.
- Clarity was sought on the Public-Private Partnership (PPP's) which addressed sustainable development.
- Clarity was sought on the irregular expenditure which was due to the R14m for expenditure for Councillors. It was stated that COGTA had indicated that it would be written off due to it being a human error, however, it was still reflected in the report under losses.

- It was felt that the Financial Services Business Unit was contravening financial and banking laws in terms of the Section 71 report. It was stated that this report should promote transparency and be used as a monitoring tool in the city on a monthly basis for monitoring purposes.
- The legality of the bank charges in respect to customers was questioned and it was pointed out that customers should not be charged a fee to swipe their cards when making payments. It was pointed out that this concern had been raised at the previous Oversight meeting, however, a response on the legal opinion had not been provided. It was stated that it was unlawful for the customers to be paying the cost of the Municipality.
- The System Analysis Program (SAP) billing system was questioned, and it was stated that officials incorporated the incorrect information on the system. Hence, clarity was sought on the measures taken to improve this.
- Clarity was sought on the rates for rental stock as the consumers did not understand whose responsibility it was. It was stated that there was no clear understanding or processes on this as the rates were appearing on the bill and tenants were being disconnected. It was felt that the rates was the responsibility of the landlord, not the tenant.
- It was felt that Council was violating the law in terms of the Prescribed Debt Act, which stated that debt should be written off after three years if legal action had not been taken. It was stated that after the Mayor wrote off the debt, it reappeared in the account.
- It was felt that the Municipality was disconnecting areas unfairly as only areas that normally paid were being targeted.
- The MIG funding for Human Settlements was questioned and it was stated that this should not be dumped on the Municipality as this department owed the Municipality for services (water, refuse collection and sewer charges) at the Jika Joe flats. It was proposed that the Municipality use this funding for the services provided to them.
- The reasons for the qualified audit outcome were requested and clarity was sought on whether consequence management would be taken against the management for unauthorised expenditure which contributed to the outcome.
- Clarity was sought on the delay of the capital projects and consequence management for them.
- Clarity was sought on the 40% charged on the pre-paid electricity to consumers that were in arrears and had not make arrangements. It was stated that some consumers who had made arrangements were still being charged this amount irrespectively.
- Clarity was sought on the disconnection fee that was charged to customers irrespective of them not being disconnected.
- It was stated that the Indigent Policy had been workshopped in some areas, however, a large number had not been registered as indigent due to them not having municipal accounts. It was thus proposed that the Municipality redesign their system to accommodate those residents.

- Clarity was sought on the assistance required from the Committee for the transition of the revenue system to an automated one.
- Clarity was sought on the assistance required from the Committee in terms of the fiscal dumping.

5.2 Concerns were raised regarding the following aspects of the report: Sustainable Development and City enterprises

- Lack of staff in the Building Control Unit – it was mentioned that proper procedures for the provision of student accommodation were not adhered to, By-laws were contravened and due to the backlog, Building Inspectors were finding it difficult to monitor this.
- Admission of guilt issues – it was stated that the project should have been stopped initially to avoid it been taking to court
- Clarity was sought on the plan and regulations to clear rivers in terms of erosion and flooding to ensure that the Municipality adhered to the Environmental Management Plan.
- Food outlets – it was stated that regulations were not adhered to as they were mushrooming up everywhere without proper procedures being followed and no action was taken
- Tenure conflict - It was stated that this was also occurring in Imbali, and clarity was sought on the how it could be resolved.
- Informal buildings/dwellings – it was requested that a thorough investigation be conducted in respect to this as they were appearing everywhere especially in the residential areas of the Msunduzi Municipality. Clarity was thus sought on the measures to be taken.
- It was stated that the purpose of the meeting was to ensure that the Annual Report correctly reflected the status of the Msunduzi Municipality during that period. However, it was mentioned that the information presented by the Senior Manager: Town Planning and Environmental Management was not included in the report, hence it was suggested that the report be amended accordingly for public consumption. Moreover, it was stated that if the Units were properly staffed and financed, the Msunduzi Municipality's financial situation would be astronomical, and it would be functioning optimally.
- Building controls – it was believed that this was out of control as a few buildings and areas had not been inspected; particularly, areas such as Ambledon, Thamboville, Edendale and Vulindlela.
- Environmental management and pollution – it was suggested that the Msunduzi Municipality benchmarks this against the country such as Rwanda which was the cleanest.
- Land invasion – it was mentioned that the entire city was confronted with this problem which was not being resolved. Furthermore, it was stated that this issue was not highlighted adequately in the report.
- Environmental health issues – concern was raised with regard to sanitation leakages into the Duzi river and it was felt that water pollution had halted a few projects in the city.

- Clarity was sought on the number of Building Inspectors employed at the Municipality and the number required.
- Clarity was sought on the profits received from the Last Dance held in December 2024
- Clarity was sought on the registration of the spaza shops
- Clarity was sought on the non-approval of the roll-over – it was suggested that a proper explanation be provided in the report
- Rental Housing – it was mentioned that this was a disaster due to non-payment of rentals, cancellations of contracts and theft of water and electricity. It was suggested that the Msunduzi Municipality appoint a rental company for this purpose.
- Informal settlements – it was mentioned that the Jika Joe settlement was a constant problem which was not dealt with properly as a new development had emerged near this area to accommodate those residents, however, this had not addressed the problem as the settlement had increased. It was alleged that owners of the new development were renting out their shacks thus profiting from this.
- Tourism – it was stated that contractors for Tourism refused to take tourists around the city centre due to the appalling conditions in terms of cleanliness and security. It was therefore recommended that this be addressed urgently as it was a revenue-generating avenue for the Municipality and it was suggested that the Unit advertises tourism more.
- Clarity was sought regarding the funding and the status of the Ematsheni in Retief Street. It was mentioned that R4m was provided for this in the previous financial year and R4m for current financial year, however no improvements were made.
- City Entities – clarity was sought on the amount of revenue generated for the Market and Airport and the strategies to ensure the Airport's success.
- Housing rentals - clarity was sought on the rental stock in terms of non-payment and it was indicated that people were invading them as they stopped paying upon acquiring them. Furthermore, it was mentioned that rental stock was in an appalling condition and not maintained adequately as the grass was not cut regularly.
- It was mentioned that the document was a repetition of the previous year as officials cut and pasted information from that year and there was no progress since. Furthermore, it was stated that the report was not detailed as the full report was not included in the 2023/24 Annual Report as outlined by the Senior Manager: Town Planning and Environmental Management.
- Human Settlement - clarity was sought on the manner of addressing the backlog in this Unit in terms of the monitoring of rentals.

5.3 The following concerns were raised: Community Services Business Unit

- Concern was raised regarding the objectives of the Waste Management Unit in terms of waste removal, and it was indicated that this was non-existent, and illegal dumping was not addressed adequately; hence, it was requested that a turn-around strategy should be implemented for this. It was stated that the facts should be reflected in the current Annual report for the public to be aware of what was going on. Additionally, clarity was sought on number of households that refuse collection was done per Ward as the Unit had indicated that the collection area had been expanded. It was believed that the Unit was misleading residents as collections were not taking place timeously and adequately irrespective of the service being paid for.
- It was stated that the quantity of waste collected did not equate to the number of fleet that the Municipality had, which resulted in many challenges such as the delay of refuse collection, burst tyres, and breakdown of vehicles. Hence, it was suggested that those challenges be incorporated into the report for public consumption and fleet be maintained.
- It was noted that the collection of refuse was 51% of what was expected which was far below what was anticipated.
- Clarity was sought on the manner in which illegal dumping was being addressed. It was mentioned that residents in the townships were unaware of where and how refuse should be disposed of. It was therefore recommended that the Unit provide awareness programs in for waste disposal to educate residents for the prevention of illegal dumping. It was further recommended that the Unit increase the collection base, include them on the database, remove refuse accordingly and provide them with areas that they could dispose of their refuse to avoid illegal dumping.
- In terms of disaster management, it was requested that the Annual report highlight the financials and the reasons for expenditure.
- Concern was raised in terms of the ageing fleet and equipment for the Fire Services Unit, and it was emphasised that for proper services to be provided, a substantial budget and staff was required. It was further acknowledged that this Unit required close attention to achieve its standard.
- It was mentioned that the Security Unit was completely dysfunctional due to the delayed response time when attending to issues of land invasion.
- It was stated that Land Invasion was a total disaster in the Municipality as land was stolen and services were not paid for, houses were built illegally, roads were being constructed illegally; particularly in areas such as Henley Dam and Ambleton. It was emphasised that this Unit should be concentrating on this matter and attending to such issues to improve the Municipality's financial situation.
- Clarity was sought regarding the Security Unit, and it was stated that this was a major issue as law enforcement was non-functional. Additionally, it was stated that this Unit was ineffective due to it being under-resourced and understaffed. Hence, it was recommended that the Committee

submits a report to Council to address this issue appropriately for improvement in terms of lack of capacity.

- It was stated that the cemeteries which should be a major tourist attraction were in an appalling condition.
- The grass cutting in the city was questioned and it was emphasised that this was a major problem and a non-functional issue. It was stated that the facts should be reflected in the current Annual report for the public to be aware of what was going on. Additionally, it was stated that the tools of trade were insufficient and due to the Expanded Public Works (EPWP) workers, no longer working at the Municipality, this had a major impact on grass cutting.
- Concern was raised regarding the appalling state of the buildings and facilities, and it was mentioned that the facts of this and how it would be addressed should be reflected in the report.
- In terms of the By-law infringements, it was stated that this was a major problem and the re-action time was delayed once the report was made by Safe City. It was recommended that the Unit in consultation with Safe City submits a report on the statistics for the Notice of Contraventions issued to determine the revenue collected for the city.
- It was stated that the Auditor-General had pointed out that the submissions were unclear.
- In terms of the vacancy rate, it was stated that this was a contradiction as the Deputy Municipal Manager: Corporate Services Business Unit had stated that those responsibilities were confined to the relevant Units. However, the Unit had indicated that they were not in possession of the employment statistics. Hence, the Committee questioned the Unit on how they would be able to determine the vacancy rate if it was not provided by them. It was mentioned that the Unit should declare the vacancies to the Human Resources Unit. Subsequently, it was recommended that the Deputy Municipal Manager [Acting] submits a report to the Committee in terms of the vacancy rate within the Unit.
- Clarity was sought on the 90% pedestrian walkaways maintained as outlined in the report and it was believed that the information was incorrect, and evidence thereto should be provided.
- Clarity was sought regarding the functions and composition of the Area Based Management Unit (ABM) Unit. The status of the Area Based Management (ABM) Unit in terms of their plans and purpose were queried, and it was felt that this Unit was irrelevant and inflated.
- Concern was raised in respect on the non-functioning crematoriums and a turn-around strategy was requested to deal with this. It was mentioned that this concern had been raised at the previous Oversight meeting, however, it had still not been addressed. It was mentioned that previously it had been reported that a Service Provider would manage the crematorium, which had not materialised as it was still problematic. Hence, it was recommended that an agreement be entered into with a non-profit organization to upgrade and manage this commodity efficiently.
- The Committee believed that the current Annual report was like the previous one as information was cut and pasted. It was acknowledged that this Unit was essential for service delivery to the city where revenue was generated.

- Clarity was sought on whether the recycling centre was operational at the Landfill Site and it was mentioned that this should be incorporated into the Annual report as it was a source of revenue generated for the city.
- Clarity was sought on whether the Umdloti Municipality paid for disposing their waste at the Landfill Site and whether this revenue was recorded in the financial records of the Municipality.
- It was stated that the Human Settlements Department had not entered into an agreement with the Waste Management Unit for the collection of refuse for the 453 new flats that were constructed at the Jika Joe Settlement, hence, they disposed of their refuse in Fitzsimmons Road and partially on the N3. It was noted that this was a source of revenue for the Municipality, thus it was anticipated that the 2025 Annual report would reflect the agreements made and revenue generated from this.
- It was felt that the report was inadequate due to its lack of information on the budget, difficulties and challenges that the Unit encountered.
- Clarity was sought on the absence of Traffic Officers in the city particularly during peak hours and when robots were dysfunctional. Furthermore, it was indicated that Traffic Officers were non-existent at school intersections, which made this a disaster waiting to happen. It was requested that communication be submitted to schools informing them of the reasons for the absence of traffic officers at schools.
- Committee requested that the Annual report be a true reflection of what happened in the financial year. It was stated that there were no indicators in the report, as the indicators to measure performances were not reflected, which deprived the Committee of its oversight role. Moreover, it was indicated that the Performance Unit should identify this issue, not the Auditor-General.
- The budget of 42% spent was questioned and it was believed that this was treason due to the number of issues that needed to be addressed in terms of waste collection, traffic lights, maintenance of vehicles and parks, illegal dumping, security, grass cutting and maintenance of swimming pools.
- Clarity was sought on the amount of R705 085 which was budgeted for relief material.
- Clarity was sought on the reason for the change of the indicators regarding the traffic signal repairs and it was stated that this should have been 100%, however, it was reduced to 12%.
- Committee was referred to page 576 on the core functions and responsibilities of the Traffic Unit and it was indicated that only the estimates were provided, not the actuals in terms of road traffic accidents and by-law infringements. Therefore, the achievement of the Unit was not reported.
- Committee was referred to page 349 of the report and it was indicated that the information was the same for all the financial years as the figures had not changed in the report.
- It was stated that the Land Invasion Unit was part of this Business Unit, however, information on this Unit had not been included in the current Annual report.

- Clarity was sought on the livestock roaming in the road in the Vulindlela area and strategies implemented to address this.
- It was mentioned that residents were disposing of refuse in the rivers in Vulindlela area and clarity was sought on measures taken to address this.
- It was stated that the inhabitants of the Vulindlela area had no water and were obtaining water from the rivers.
- Clarity was sought on the absence of security personnel in the city and it was stated that their assistance was essential for crime-related issues.
- Clarity was sought on the status of the Expanded Public Works Program (EPWP) workers.
- Concerns were raised in respect of poor domestic waste collection and broken trucks in the Workshop, which contributed to illegal dumping. The status of the garden refuse sites were queried, particularly, Link Road which was in a terrible condition. The cleanliness of the taxi ranks were queried, and it was mentioned that those were in a bad condition and action was needed. Clarity was sought on the status of the sports facilities and it was indicated that they were poorly maintained.

5.4 Corporate Business Unit

- Clarity was sought on the high sick leave and vacancy rate, which had not been investigated and it was requested that this be reflected in the report. It was suggested that a strategy be developed to address this issue which impacted on the Municipality and service delivery. Concern was also raised on the timeframe to fill vacancies and funding of posts.
- The lengthy suspensions were questioned, and it was stated that there was no proper plan or explanation provided in the report. It was further mentioned that employees who were suspended were requested to return to work, which was senseless and shocking.
- The non-submission of bonuses to Section 56 and 57 managers was commended due to the Municipality's current financial situation.
- A concern was raised in terms of the demographics and the failure of adhering to the Employment Equity Policy each year. It was suggested that the Annual Report should indicate what was being done to balance the demographics to make the Municipality effective. It was recommended that employees be charged for not ensuring proper demographics as this issue was being ignored.
- The Councillors attendance was queried, and it was indicated that the report did not reflect the details pertaining to the names, number of meetings not attended, and reasons for non-attendance.
- The code of conduct for Councillors was outlined and it was emphasized that Councillors should be removed from Council in terms of this. It was suggested that the outcome of this

should be reflected in the report.

- It was requested that the spelling of Councillor Rienus Niemand's name be amended accordingly.
- The financial misconduct on suspensions was queried and it was suggested that cases be monitored and expedited.
- Capacity building – clarity was sought on the number of employees trained to enable competency
- Committee Allocations – it was requested that Councillor Sbongumusa Zuma's name be removed from the Municipal Public Accounts Committee (MPAC) list as he was not a member of the Committee.
- The allocation of employees to established posts was questioned and it was stated that posts were not filled at the Waste Unit as most EPWP workers were employed there.
- Clarity was sought on the ABM Unit and their functions
- It was requested that Councillor Majola's name be removed from the list of Councillors as previously requested.
- Clarity was sought in relation to the functioning of the organogram for the departments which was unclear.
- Clarity was sought on the scarce skills and it was stated that qualified people were required.
- Clarity was sought on the status of the EPWP workers and the Unit they were placed in.
- The number of Law Enforcement Officers was questioned, and it was indicated that they were invisible.
- Clarity was sought on the composition and frequency of the Security Committee.

5.5 Infrastructure Services Business Unit.

(Refer to minutes for discussion notes)

- 5.6 That the arising from the Auditor General's finds on all affected business units' material or not, such finds as obtained in the report to Council by the AG, these MUST be rectified and ensure that non are repeated in the next audit period to ensure the municipality obtains a clean audit opinion.
- 5.8 *That, arising out of the proceedings of the Oversight Committee meetings, it be noted that the Municipal Public Accounts Committee is highly **concerned** about the following matters:*

- 5.8.1 That there is an increase in monies owed to the Municipality by consumers and it is at an unacceptable level above 6 billion in the financial year under review.
- 5.9.2 That the challenges around the implementation of the credit policy mainly around the areas of Imbali and Edendale be brought to Council and committee with recommendations of how they can be mitigated and ensure proper and effective implementation.
- 5.9.3 The in the process of disconnecting of services in some volatile areas, Community Services involve the South African Police Services (SAPS) alongside the Municipalities Security cluster to ensure the safety of the Municipal employees.
- 5.9.4 That the bad state of the city's traffic lights, was contributing to all other factors that defect investment and potential added revenue into the city as it is impossible to move around the city and needs to be curbed urgently. The department needs to develop a plan and financial projections that will be within the new financial year budget which will ensure this problem is sorted out and reported to MPAC by the end of the financial year.
- 5.9.5 That the Strategic Management Committee ensure that the top ten risks of the Municipality are prioritized and brought to the attention of Council and that there are effective strategies to mitigate them. Portfolio Committees must regularly monitor the risks and report progress through the correct channels to Council.
- 5.9.6 That the Office of the Speaker must update and verify on an ongoing basis, gifts and hospitality received by Councillors and Corporate Services must do the same for Officials, guided by the Gifts Policy and report back to Council every quarter of the year.

Resolved:

5.10 Finance Business Unit:

- (a) That the Senior Manager: Revenue, in consultation with the Committee Officer submits a report on the banking charges to the next Municipal Public Accounts Committee (MPAC) meeting.
- (b) That the Municipal Manager (Acting) ensures that payment arrangements to Umgeni Water and ESKOM are adhered to and implement stricter cost containment procedures in the organisation.
- (c) That the Chief Financial Officer (Acting) ensures that revenue collection for services in areas that were not being charged, are implemented accordingly and that a comprehensive report to this effect be submitted to the Municipal Public Accounts Committee (MPAC).
- (d) That the Chief financial Officer (Acting) ensures that the Credit Control Policy is implemented for disconnections and the theft of water and electricity in each Ward of the Msunduzi Municipality.
- (e) That the Chief Financial Officer (Acting) ensures that strategies for theft of water and electricity are implemented, and a comprehensive report thereto be submitted to the Municipal Public Accounts Committee (MPAC).
- (f) That the Chief Financial Officer submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the implementation of meters for unmetered areas such as Henley Dam and Ambleton.
- (g) That the Chief Financial Officer ensures that operation Qoqomali is revived for revenue collection.
- (h) That the Chief Financial Officer, in consultation with the mayor, ensures that the Municipality is fully migrated to an automated revenue system to resolve revenue and billing issues.
- (i) That the Chief Financial Officer ensures that the budget of 3% for repairs and maintenance for infrastructure is increased and other funding models, such as the Bulk Infrastructure Grant be considered.
- (j) That the Municipal Manager (Acting) in consultation with the Deputy Municipal Manager: Infrastructure Services, submits a comprehensive report highlighting the strategies to prevent the Msunduzi Municipality's infrastructure from vandalism and theft.
- (k) That the Chief Financial Officer in consultation with the Mayor engages with National Treasury in respect to the late fiscal dumping; noting that this was one of the causes of the qualified audit outcome for the 2023/24 financial year.
- (l) That the Municipal Manager [Acting] ensures that the biometrics system is implemented in all Business Units of the Msunduzi Municipality to curb overtime.

- (m) That the Manager: Debtors submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the theft of water and electricity for each Ward in the Msunduzi Municipality.

5.11 Sustainable Development and City Enterprise.

- (a) That the Manager: Performance Management amends the report accordingly to reflect all the activities of the Sustainable Development and City Enterprises Business Unit, particularly the Town Planning Unit as outlined by the Senior Manager: Town Planning and Environmental Management.
- (b) That the Deputy Municipal Manager: Sustainable Development and City Entities submits a comprehensive report to the next Municipal Public Accounts Committee on the Wire-wall.

5.12 Community Services.

- (a) That the Manager: Performance Management ensures that the Municipal Public Accounts Committee (MPAC) was informed of the appropriate amendments to the Annual Report
- (b) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the vacancy rate in terms of the posts that were declared vacant regardless of the budget.
- (c) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding revenue collection in the Traffic Unit.
- (d) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding the composition and functions of the Area Based Management (ABM) Unit.
- (e) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the Security and Land Invasion Units in terms of the number of vacancies, resources required to manage the Unit, and the Nature Reserve, the number of firearms and their functions.
- (f) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report in terms of the statistics of Wards that were being billed for refuse collection and those that were not billed.
- (g) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report in terms of a contingency plan for waste disposal.
- (h) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding the composition of a community-based programme in Wards in terms of recycling to enable job creation.
- (i) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the security of community halls in terms of the procurement of surveillance cameras and contracting security companies for response purposes.

- (j) That the Deputy Municipal Manager: Community Services (Acting) ensures that the monitoring of the study for the Section 78 for the crematorium sites is continuously done.
- (k) That the Deputy Municipal Manager: Community Services (Acting), in consultation with Safe City, submits a report on the statistics for the Notice of Contraventions issued to determine the revenue collected for the city.

5.13 Corporate Services Business Unit

- (a) That taking into cognizance the concerns raised at the current Oversight meeting, the Deputy Municipal Manager: Corporate Services in consultation with all Deputy Municipal Managers and the Municipal Manager [Acting] submits a comprehensive report in terms of the high vacancy rate for the entire Municipality which outlines the reasons that they are not filled, whether the post was declared, the number of funded posts and whether consequence management was taken against managers and Chairpersons of recruitment panels who were responsible for the delays in the recruitment processes.
- (b) That considering the concerns raised at the current Oversight meeting, the Deputy Municipal Manager: Corporate Services submits a detailed consequence management report in terms of the reasons for the delays experienced in finalizing cases, backlog and strategies to expedite them.
- (c) That the Deputy Municipal Manager: Corporate Services submits a comprehensive report on the Area Based Management (ABM) Unit in terms of their functions and composition.
- (d) That in respect to the delay in consequence management and the high vacancy rate for the entire municipality, a special meeting be convened, noting that the Committee Officer in consultation with the Municipal Public Accounts (MPAC) Manager will submit the details of the meeting to members of the Committee.
- (e) That the Manager: Performance Management rectifies the amendments in the report in terms of the following:
 - the financial year be rectified on page 136 of the report under the heading,
 - Councillors Zuma and Majola names be removed from the Councillors list
 - the Councillor's attendance be included under the Speaker's Office
 - Councillor R Niemand's name be rectified to "RIENUS"
 - additional information for the Security Committee be inserted in the report.

5.14 Infrastructure Business Unit.

- (a) That the Deputy Municipal Manager: Infrastructure in consultation with the Human Resources' Unit addresses the high vacancy rate in the Unit and submits a report thereto to the next meeting of the Municipal Public Accounts Committee.

- (b) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the number of storm water drains that were blocked and strategies to address blockages.
- (c) That the Deputy Municipal Manager: Infrastructure Services submits a detailed report to the Municipal Public Accounts Committee (MPAC) regarding the status of the boreholes in the Vulindlela area.
- (d) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the infrastructure upgrade, in terms of the key focus areas, cost, timeframes and potential funding model for inclusion on the Water Services Development Plan.
- (e) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the ageing infrastructure, inclusive of the strategies to address them.
- (f) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the number of unmetered households and metered households in the Msunduzi Municipality.
- (g) That the Deputy Municipal Manager: Infrastructure Services ensures that the transformers are removed in areas where the theft of electricity is high.
- (h) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee on the Water Services Development Plan.
- (i) That the Deputy Municipal Manager: Electricity Supply Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the electricity losses and the strategies to address the theft of electricity.
- (j) That the Municipal Public Accounts Committee (MPAC) conducts onsite inspections on the completed projects outlined by the Infrastructure Services Business Unit and the Electricity Services Supply Unit at the current meeting.

5.15 Corporate Business Unit

- (a) That the Manager: Municipal Public Accounts Committee, in consultation with the Acting Municipal Manager, submit a report to council expressing the concerns raised by the Committee regarding their lack of support and the absence of the Forensic Unit.
- (b) That in respect to (a) above, the Acting Municipal Manager submits a report to Council recommending that the Forensic Unit be relocated to Internal Audit Unit.
- (c) That the Acting Municipal Manager submits a report to Council recommending that all Wards have the necessary resources, tools of trade suitable for servicing their respective communities.

Furthermore

- (d) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report to MPAC regarding the implementation of the resolution pertaining to the Single Law Enforcement Unit.

5.16 That the continuing discrepancies on registers and Portfolio of evidence (POE) files must come to an end and that Deputy City managers of all business units must ensure that they audit the information being submitted to Performance Management Systems (PMS) office.

The following areas were sighted as being the lead in the poor submission of POEs:-

- Waste collection
- Water losses
- Water drainage
- Registers that were not adequately populated
- Incorrect billing

5.17 That the Annual Report be approved and adopted by Council without reservations.

5.18 That the Oversight Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act 56 of 2003.

5.19 That the 2023/2024 Annual Report and Oversight Report, including the minutes where the Annual Report was discussed, be submitted to the following Offices in terms of Section 129 (2) of the MFMA: -

- National Treasury.
- Auditor General.
- MEC: Cooperative Governance and Traditional Affairs.
- MEC: Provincial Treasury.

5.20 That the Oversight Report be submitted to the Provincial Legislature in accordance within Section 132(2) of the Municipal Finance Management Act 56 of 2003.

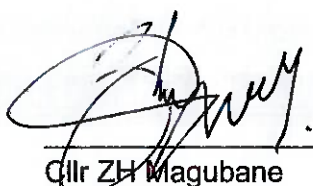
6. CONCLUSION

This report provides oversight on the Annual Report of the Msunduzi Municipality and its entities for Financial year 2023/2024 in terms of provisions of the MFMA as well as the process that the Municipal Public Accounts Committee undertook to comply with the applicable legislation.

Furthermore, it is the view of the Municipal Public Accounts Committee that corrective measures be taken by the General Municipal Managers within their respective Business Units to address all matters raised during the Annual Report review by MPAC and through the Municipal Manager report back on resolutions requiring action.

Furthermore, the Municipal manager must work tirelessly to ensure that the municipality receives a clear audit in the year 2024/2025 Financial year and get the Municipality out of any CoGTA or any other Provincial or National Government interventions.

Respectfully Submitted:



Cllr ZH Magubane

Chair: Municipal Public Accounts Committee

ANNEXURES

Annual Report 2023/2024

Annexure 'A' – Oversight Process Plan

Annexure 'B' – Advertisement of Oversight Meetings and Invitation to submit written concerns on the Annual Report

Annexure 'C' – Minutes of the Municipal Public Accounts Committee Meeting 12 February 2025 – Introductory meeting

Annexure 'D'– Minutes of the Municipal Public Accounts Committee Meeting 25 March and 3 April 2024 – Community Services

Annexure 'E'– Minutes of the Municipal Public Accounts Committee Meeting, 18 March 2025 – Corporate Services

Annexure 'F' Minutes of the Municipal Public Accounts Committee Meeting, 27 March 2025 – Sustainable development and City Enterprises

Annexure 'G'– Minutes of the Municipal Public Accounts Committee Meeting, 2 April 2025 – Finance

Annexure 'H'– Minutes of the Municipal Public Accounts Committee Meeting, 20 March & 3 April 2025 – Infrastructure

Annexure 'I'– Minutes of the Municipal Public Accounts Committee Meeting, 9 April 2025 – Corporate Business Unit

Annexure 'J'– 2022/2023 Annual Report Checklist

Annexure "K" – Letter to National Treasury, that requested an extension of time to submit the Oversight Report due to issues with the Auditor General's Report to Council being late.

OVERSIGHT PROCESS PLAN IN RESPECT ON THE 2023/2024 ANNUAL REPORT

ACTIVITY	DATE	TIME	VENUE	MAIN CONSIDERATIONS
Submission of Oversight Process Plan for adoption by Full Council	Wednesday 29 January 2025	09h00	City Hall, Council Chamber	Oversight Process Plan presentation to Full Council
Place advertisement in the local news papers	Thursday and Friday 30 & 31 January 2025			Announcing dates and inviting public comment on the Annual Report 2023/2024
MPAC Meeting	Wednesday 5 February 2025	09h00	City Hall, Council Chamber	Introductory Meeting on the Interrogation on the Annual Report 2023/2024
MPAC Meeting Corporate Services	Tuesday 18 March 2025	09h00	Harry Gwala Boardroom	Solicit input from Officials and Public
MPAC Meeting Infrastructure Services	Thursday 20 March 2025	09h00	Harry Gwala Boardroom	Solicit input from Officials and Public
MPAC Meeting Community Services	Tuesday, 25 March 2025	09h00	KZN Legislature	Solicit input from Officials and Public
MPAC Meeting Sustainable & Economic Development	Tuesday, 27 March 2025	09h00	KZN Legislature	Solicit input from Officials and Public
MPAC Meeting Finance business Unit	Tuesday 1 April 2025	09h00	KZN Legislature	Solicit input from Officials and Public
MPAC Meeting Corporate Business Unit	Tuesday, 8 April 2025	09h00	KZN Legislature	Solicit input from Officials and Public
MPAC meeting: Draft Oversight Report	Tuesday 15 April 2025	09h00	City Hall, Council Chamber	Adoption of the Draft Oversight Report on the Annual Report 2023/2024 Financial Year
Full Council	Wednesday 30 April 2025	09h00	City Hall, Council Chamber	Presentation of the 2023/2024 Oversight Report to Full Council of Adoption
Submission of Oversight Report to MEC COGTA, A-G, Provincial Treasury, Publish on Msunduzi Website	Monday 6 May 2025			Submission of Annual Report with the Oversight Report

Celebrating a century of life and legacy

Kayla Shaw

Not many people can say they have lived to a hundred and witnessed the vast legacy they leave behind Lutchmee Chetty from Howick can.

Last Saturday, Chetty, with over 300 family members celebrated her 100th birthday - a milestone not just in years but in the lives of the people she has touched. Among them were many she had embraced as her own, stepping in as a mother, grandmother, and protector.

Chetty's legacy is remarkable: nine biological children, six stepchildren, 32 grandchildren, 63 great-grandchildren, and 28 great-great-grandchildren.

"My mother endured great loss over the years," said her youngest surviving daughter, Prema Parumal, (65).

"She moved from home to home, spending time with each of her children."

Her youngest surviving son, Krish Chetty, 71, recalled his mother's fierce determination, especially when his younger sister passed away, leaving her children behind.

"She didn't hesitate - she became their mother. She fought relentlessly in court to gain full custody of her grandchildren. She refused to back down, and in the end, she won," Krish said.

Chetty's love and care extended beyond blood ties. Geraldine Govindsamy, who lost her grandmother at a young age, fondly recalled how Chetty became a pillar in her life and "Aiya" (grandmother in Tamil) for everyone.

"Every morning, my grandmother would check our lunch bags and make sure we were ready for school. The night before my first day with-

watching *Animal Planet* She is often found in her garden, watering plants or sowing new seeds.

While details of Chetty's early life are not easily available, Govindsamy said they know that she was born in 1925 in South Africa.

Chetty lived with her mother Munima and her father on the Kalligen Estate in Durban.

"Munima's father brought her (Munima) to South Africa from India after her mother died at childbirth and she was brought up by her father and other women on the sugar estate. Munima had 12 children and Chetty was the youngest," said Govindsamy.

uMngeni Municipality Mayor, Chris Pappas, Deputy Mayor, Sandile Mnikathi, and ward councillor Janis Holmes, also attended the event.

Pappas said it was not often that they celebrate something as special as a 100th birthday.

"We often deal with potholes and streetlights, but every now and then we get a really special invitation to celebrate something special in our community. So today, we celebrate Ayia and her life as well as the impact she has had on everyone that she has come across," Pappas said.



uMngeni Deputy Mayor Sandile Mnikathi, left, ward councillor Janis Holmes, Lutchmee Chetty and Mayor Chris Pappas. Photo: Kayla Shaw

out her, I couldn't sleep - I thought, 'Who would do it now?' But as my sister and I walked down the road, there she was - waiting for us. From that day, she became my grandmother, someone I love fiercely," Govindsamy said.

A vibrant and tenacious woman, Chetty has always held onto her independence. She worked in the sugarcane fields of Phoenix, and now still enjoys her soap operas or

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THE MSUNDUZI MUNICIPALITY

PROVINCE OF KWAZULU-NATAL KZN225

MEMBERS OF THE PUBLIC ARE CORDIALLY INVITED TO ATTEND MSUNDUZI'S PUBLIC ACCOUNTS COMMITTEE MEETINGS AS FOLLOWS:

- Tuesday, 18 February 2025 at 09h00, Legislature Boardroom
- Thursday, 27 February 2025 at 09h00, Legislature Boardroom
- Wednesday, 5 March 2025 at 09h00, Legislature Boardroom
- Tuesday, 11 March 2025 at 09h00, Legislature Boardroom
- Tuesday, 18 March 2025 at 09h00, Legislature Boardroom
- Thursday, 20 March 2025 at 09h00, City Hall, Council Chamber
- Wednesday, 30 April 2025 (Council meeting at which the Oversight Report is to be presented)

The adoption of the Oversight Report is the final document in the reporting process of a municipality. The Oversight Report is a requirement in terms of Section 129 of the MFMA, and requires the Council to adopt an Oversight Report, no later than 2 months after the tabling of the Annual Report.

Msunduzi Municipality's 2023/2024 Annual Report, as tabled in Council, will be made available for public viewing and will be published on the municipality's website www.msunduzi.gov.za. Copies will be made available at the following satellite offices:

Area Office	Contact Name/s	Contact Number/s
Vulindlela	Lucky Mbatha / Nosiso Ngobese	033-392 2958/3691
Asibuyeni	Xoliso Ndlovu / Nomsa Daba	033-392 3281/3555
Edendale	Xoliso Ndlovu / Mthabane Mthabane	033-392 3171/2967
Isibutho	Sana Mngisi / Ngweni Mthabane	033-392 3622 / 2857
Northern Areas	Anwar Hosen / Xoliso Ndlovu	033-3923117/ 367 3168
City Hall	Laci Pillay	033-382 8709

The public is hereby informed that consultation on the Annual Report will convene at the meetings, as outlined above, thereafter, the Oversight Report will be developed and recommended to the Full Council for adoption.

The public is invited to submit written concerns on the Annual Report to:

Office of the Municipal Manager

Ref: Annual Report 2023/2024

Private Bag X321

Pietermaritzburg

3200

Or

Email: madeleine.wankra@msunduzi.gov.za

Final Date for Submissions: Friday, 7 March 2025

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Suspects arrested after assaulting elderly woman

Shorne Bennie

A 66-year-old Scottsville woman was beaten so severely during a kidnapping and robbery that her banking app's facial recognition system failed to recognise her.

She endured hours of terror last Tuesday after being lured into a car and abducted from a Pietermaritzburg shopping centre.

Police and private security teams acted swiftly, arresting three suspects linked to the attack.

According to uMgungundlovu SAPS spokesperson Sergeant Sifiso Gwala, the woman's daughter reported her missing after she failed to return from a doctor's visit at the shopping centre.

"When the daughter arrived to fetch her, she saw her mother walking away with two women. When she called out, her mother responded that she was going to a shop inside the centre.

"After some time, when she had

not returned, the daughter searched for her at the shop but could not find her.

"She tried to call her mother, but a man answered. In the background, she heard her mother shouting that she was being kidnapped. The suspects demanded the banking app pin, but the daughter said her sister had it. She then ended the call and alerted SAPS," said Gwala.

The Mi7 National Group said the woman was forced into a Suzuki Ertiga, where the kidnappers tried to access her banking app.

"When she refused, they assaulted her. The attack was so severe that her device's facial recognition software could not verify her features," Mi7 said.

A joint effort by uMgungundlovu crime intelligence, Alexandra police station crime prevention officers, and Mi7 National Group led to the suspects' arrests.

New chapter begins at Msunduzi Hospice

Shorne Bennie

A new chapter has begun at the Msunduzi Hospice as a newly-appointed management team steps into leadership roles, continuing the organisation's vital mission of serving the community.

Letitia Marais (62) has been appointed as the Chief Executive Officer (CEO). Marais, who began her journey with Msunduzi Hospice in 2012 as a social worker, said she was deeply committed to the organisation's mission. Originally from Durban, she completed her schooling in Koksstad and attributes her career choice to her uncle's encouragement.

"My uncle was a teacher, and he filled in my application to become a social worker. I studied at the University of the Western Cape and got my first job as a social worker in Koksstad. I worked at children's homes in Gauteng and Durban and in the UK I worked at a local authority similar to our local government agency, the Department of Social Development.

"When I returned to South Africa, I joined Hospice in Durban, and in October 2012, I started working at Pietermaritzburg Hospice," said Marais.

Having completed her Palliative Care in-house training with the Health and Welfare Sector Education and Training Authority (HWSETA), Marais expressed her gratitude for the support she has received at Msunduzi Hospice.

"I appreciate the guidance and teaching of my former manager, Priscilla Botha. I have 32 years of experience as a social worker, and over the years, it has become clear how important it is to have people you can depend on," said Marais.

Brenda Urwin (58), the newly-appointed palliative care manager, is originally from uMthatha and began her nursing career at Grey's Hospital. She has been serving at the Hospice for 12 years.

Urwin has worked at many institutions across the country, including a rural clinic in the Western Cape. When she returned to Pietermaritzburg, she worked as an occupational nurse for three major factories - Nestlé, House of



Infrastructure team leader Skholiwe Radebe, back left, and Msunduzi Hospice Board chairperson Pete Jugmohan. Palliative care manager Brenda Urwin, front left, and CEO Letitia Marais. Photo: Shorne Bennie

York, and Epol.

She then worked at the Hope-lands Cancer Centre before applying for a position at the Msunduzi Hospice.

Urwin admitted that she was initially hesitant about working at Hospice, as her father had also died of cancer.

"When you have experienced the same loss, you become more empathetic and truly understand what the person is going through. It is emotionally draining, but when you see the impact that a simple conversation can have on a family member, that is the reward," she said.

Urwin said that over the years, she has learned the importance of always being the best possible support for the person in their care and their family.

Skholiwe Radebe (43) has been appointed as the infrastructure team leader, responsible for maintaining the hospice building and vehicles.

Radebe has worked at Hospice for 16 years.

Hailing from KwaMpande, Radebe said his father equipped

him with the skills needed for his position.

"I am very excited about this role. My father was a mechanic, and I would work with him, which gave me valuable experience. I also worked alongside the previous manager as his assistant, and while working with other team members, I have both learned skills and shared my knowledge with them. I have learnt a lot from my previous managers Trevor Clowes and Keolin. They taught me a lot," said Radebe.

Hospice Board chairperson Pete Jugmohan said their appointments were a testament of their dedication to the Msunduzi Hospice.

"We conducted interviews, but none of the external candidates fitted the profile. So, we appointed these individuals in acting positions, and they have earned their stripes.

"They have served faithfully, and their appointments reflect their commitment. We have already received a great deal of positive feedback regarding their selection," Jugmohan said.

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Shepstone Street in Richmond gets a long-overdue resurfacing. PHOTO SUPPLIED



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- ULwesibili, mhla ziyi-18 kuNholanjan (Febhuwari) wezi- 2025 ngele- 09h00, e-Legislature Boardroom
- ULwesine, mhla zingama-27 kuNholanjan (Febhuwari) wezi- 2025 ngele- 09h00, e-Legislature Boardroom
- ULwesithathu, mhla zi-5 kuNdasa (Mashi) wezi- 2025 ngele- 09h00, e-Legislature Boardroom
- ULwesibili, mhla ziyi-11 kuNdasa (Mashi) wezi- 2025 ngele- 09h00, e-Legislature Boardroom
- ULwesibili, mhla ziyi-18 kuNdasa (Mashi) wezi- 2025 ngele- 09h00, e-Legislature Boardroom
- ULwesine, mhla zingama-20 kuNdasa (Mashi) wezi- 2025 ngele- 09h00, e-City Hall, eGumbini Lomkhendfu
- ULwesithathu, mhla zingama-30 kuMbasa (Aphreli) wezi- 2025 (emhlanganweni Wolmkhandlu Ophelile okuyokwethulwa kuwo umbiko Wokwengamele Ukuqapha)

Ukwamukelwa koMbiko Wokwengamele Ukuqapha ukusetshenziswa kwezimali, kungumbhelo wengqubo yokubika kumasipala Umbiko Wokwengamele Ukuqapha uyisidingo ngokweSigahe se-128 se-MFMA, futhi ubophezela uMkhandlu ukuba wamukele Umbiko Wokwengamele Ukuqapha esikhathini esingekho ngaphezu kwezinyanga ezimbili ngemva kokuba Umbiko Wonyaka wethulwa.

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Amahhovisi Ezindawo	Amagama othintana nabo	Izinombolo Zokuxhumana
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Ashburton	Xolile Hulane/ Nomelange Daba	033-392 3281/2555
Edendale	Xolile Ntshangase / Mthabaiseng Motaung	033-392 3171/2957
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Northern Areas	Anwar Hoosen/ Xolani Ntshangase	033-392 3117/ 387 3168
City Hall	Laci Pillay	033-392 8709

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Pietermaritzburg

3200

Noma

 Bathumele i-hovisi ku: madalsino.wanku@msunduzi.gov.za

Usuku lokugcina lokuthumela: uLwesihlanu, ziyi-7 kuNdasa (Mashi) wezi- 2025

N.M. NGCOBO, IMENENJA YEDOLOBHA (IBAMBA)



Roadworks in Richmond. PHOTO: SUPPLIED.

 Resurfacing
 work in
 Shepstone
 Street, in
 Richmond.
 PHOTO:
 SUPPLIED


NTOMBIZETHU NGCOBO

completed in June.

Richmond Municipality Mayor Melikhaya Ngongo has assured residents that they will continue to prioritise their needs while also obtaining a clean audit.

He made the comments as a R116 million project to resurface 14,3 km of road in the town is being undertaken.

The former KwaZulu-Natal Department of Transport, Community Safety and Liaison MEC, Siphon Hlomuka, handed over the project to the contractor in May last year.

The project is expected to be

completed in June. The road traverses several areas, including the Town, Harari, Isilahl, Sgcakini, Phatheni, Smozomeni, Maswazini, and Magoda.

"Part of our vision is to become a smart town and an agricultural hub," said Ngongo. "This road also leads to one of the region's prestigious tourism sites, the Highover Wildlife Sanctuary."

"We want to make our town attractive to tourists who would love to come and explore Richmond for its beauty."

He added that although there are still roads in need of improvement, the municipality's team is doing its best to ensure progress.

"I have observed potholes in the Magoda area and instructed my team to attend to them, since pothole patching and access road maintenance are done by the municipality."

"We are not only focusing on urban roads."

"We also work in rural areas," said Ngongo.

He added that the road is frequently damaged by heavy timber trucks that use it regularly.

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WITNESS

NOTICES

DEATHS

POVER

ANDREW JOHN

at 31 JAN 2024

16 DEC 2024

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Kath and Stephen

and brother to Simon

and brother to Joyce

and partner to Jackie

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up to heaven and

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GENERAL

NOTICES

KUFUNWA

Teresa Mbebe

at 28 JAN 2024

16 DEC 2024

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Kath and Stephen

and brother to Simon

and brother to Joyce

and partner to Jackie

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SCOTTSBURGH

033 976 0200

GENERAL

NOTICES

KUFUNWA

Teresa Mbebe

at 28 JAN 2024

16 DEC 2024

WITNESS

HOME IMPROVEMENTS

HOME IMPROVEMENTS

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MSUNDUZI LOCAL MUNICIPALITY



MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE - INTRODUCTORY MEETING

Meeting held on **WEDNESDAY, 12 FEBRUARY 2025** in **COUNCIL CHAMBER** at 9H00.

PRESENT: Councillors ZH Magubane (Chairperson), L Mgaga, JJ Ngubo, R Khanyile, R Niemand, TC Ngubane, DB Phungula, S Reddy, P Sithole, MB Zuma.

ABSENT: Councillors B Mkhize (Party commitment), S Mncwabe (Party Commitment) T Zondi (attending a Street Naming Committee meeting) and S Zuma (no leave application).

OFFICIALS

PRESENT: Messrs H Zondi (Manager: Municipal Public Accounts Office), B Halimana (Manager: Performance Management) and Ms. C Jacobs (Committee Officer).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present at the meeting.

Applications for leave were received from Councillors B Mkhize and S Mncwabe who had Party commitments and Councillor T Zondi who was attending a Street Naming Committee meeting.

An apology was tendered on behalf of Councillor S Reddy who was joining the meeting late due to a Ward commitment.

It was

RESOLVED

That Councillors B Mkhize, S Mncwabe and T Zondi be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

(Councillor S Reddy was not present when this decision was taken)

2. DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee.

NOTED.

3. OVERSIGHT PROCESS: ANNUAL REPORT ASSESSMENT CHECKLIST 2023/24 (7.2.2)

Msunduzi Municipality Annual Report Assessment Checklist 2023/2024.

(Page 2 of the agenda)

The Manager: Municipal Public Accounts Committee (MPAC) outlined the purpose of the Annual Report Assessment Checklist for the 2023/24 financial year and encouraged Councillors to adhere to it and peruse it thoroughly. He stated that due to the outstanding Auditor-General's report, the Mayor had not presented the 2023/24 Annual report to Council. He informed Councillors of the meeting that had been held with the Auditor-General (AG) earlier and stated that the AG had presented the final report to them subsequent to a dispute that had been lodged with the initial outcome. He stated that it was anticipated that the Mayor would submit the comprehensive Annual report with the necessary attachments from the AG, including the manager's responses to Council.

The Manager: Municipal Public Accounts Committee (MPAC) undertook to ensure that the comprehensive Annual Report was circulated to Councillors for them to peruse it effectively. He stated that the Municipal Manager [Acting] had submitted a request to the Council for an extension of the Oversight report. He further stated that a similar situation had occurred previously whereby an extension had been granted by the National Treasury.

(At this point of the proceedings (9h25) Councillor S Reddy joined the meeting)

The Committee recommended that officials respond to outstanding items from the previous year, particularly non-revenue water and the Auditor-General's outcome. It was emphasised that officials should be held accountable and consequence management should be implemented against the affected officials who had not responded to this matter. Additionally, it was stated that the Municipal Public Accounts Committee (MPAC) should also be held accountable for failing to carry out its oversight role effectively by not holding officials and politicians accountable.

The Chairperson encouraged the Committee to peruse the Annual report and checklist thoroughly to achieve an effective outcome on their oversight role.

It was

RESOLVED

That the Annual Report Assessment Checklist 2023/24 be NOTED.

The meeting terminated at 9h30

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>claudette jacobson</i>	17/02/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION BY	Ms. B Duze	Principal Committee Officer	<i>[Signature]</i>	17/02/2025

DATE: WEDNESDAY, 12 FEBRUARY 2025 @ 9H00

[illegible]

MSUNDUZI LOCAL MUNICIPALITY



**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
COMMUNITY SERVICES BUSINESS UNIT**

Meeting held on **TUESDAY, 25 MARCH 2025** in
2nd FLOOR BOARDROOM, HARRY GWALA STADIUM at 9H00.

PRESENT: Councillors ZH Magubane (Chairperson), R Khanyile, B Mkhize, S Mncwabe, R Niemand, DB Phungula, S Reddy, MB Zuma and T Zondi.

ABSENT: Councillors L Mgaga (writing exams), JJ Ngubo (Ward commitment), TC Ngubane (Ward commitment), P Sithole (indisposed) and S Zuma (Ward commitment).

ALSO

PRESENT: Mr A Waldhausen (member of the public).

OFFICIALS

PRESENT: Messrs M Zuma (Deputy Municipal Manager: Community Services [Acting]), M Ntombela (Senior Manager: Parks & Recreation [Acting]), H Zondi (Manager: Office of the Municipal Public Accounts Committee), B H Xulu (Senior Traffic superintendent), E Khan (Chief Fire Officer), MS Ballim (Deputy Chief Fire Officer), B Halimana (Manager: Performance Management) and S Sibisi (Interpreter). Mesdames T Ntuli (Manager: Disaster Management), A Sewcharan (Committee Officer and C Jacobs (Committee Officer).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present.

Applications for leave were received on behalf of Councillors S Zuma, JJ Ngubo and TC Ngubane who had Ward commitments and P Sithole who was indisposed.

Councillor Mncwabe requested to leave the meeting early due to personal commitments. Committee noted that the Chairperson of the Community Portfolio Committee had submitted an apology for the current meeting due a Council commitment. However, the Chairperson expressed his disappointment on her absence at this important meeting.

It was noted that the Deputy Municipal Manager: Community Services [Acting] had not received any apologies from his senior managers for the current meeting.

It was

RESOLVED

That Councillors S Zuma, JJ Ngubo, TC Ngubane and P Sithole be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

2. DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee (MPAC).

NOTED.

3. **ABSENCE OF THE SENIOR MANAGERS AT THE COMMUNITY SERVICES MPAC OVERSIGHT MEETING**

(Raised verbally)

The Chairperson raised concern regarding the absence of the Senior Managers and the Chairperson of the Portfolio Committee at the Community Services Oversight meeting.

The Committee members were appalled by the gross misconduct of their non-attendance to this important meeting. They felt that the Senior Managers were not taking their responsibilities seriously and disrespected the Municipal Public Accounts Committee's (MPAC) oversight role.

The Chairperson requested the Manager: Office of the Municipal Public Accounts Committee (MPAC) to submit a complaint to the Municipal Manager [Acting] regarding this. He further requested him to liaise with the Speaker and request her to instruct all Chairpersons of portfolio committees to attend these important MPAC Oversight meetings.

Subsequently, the Committee recommended that the meeting be postponed and rescheduled to ensure that the entire Community Services Business Unit was present to respond to critical concerns regarding service delivery. Furthermore, it was recommended that disciplinary action be taken against the affected Senior Managers, and it was suggested that the Manager: Office of the Municipal Public Accounts Committee (MPAC) informs the Municipal Manager [Acting] and the Speaker of the concerns raised at the current meeting.

It was

RESOLVED

- (a) That the Manager: Municipal Public Accounts (MPAC) submits a complaint to the Municipal Manager [Acting] regarding the absence of the affected Senior Managers, recommending that disciplinary action be taken against them for their non-attendance at the MPAC Oversight Committee.
- (b) That the Manager: Municipal Public Accounts (MPAC) liaises with the Speaker requesting her to advise all Chairpersons of portfolio committees to attend the MPAC Oversight meetings.
- (c) That the Municipal Public Accounts (MPAC) Oversight Committee for Community Services be rescheduled and the Committee Officer, in consultation with the Office of MPAC advise members of the details of the meeting.

The meeting terminated at 10h:20

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>claudette jacobs</i>	27/03/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>B Duze</i>	27/03/2025



**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
COMMUNITY SERVICES BUSINESS UNIT**

Meeting held on **THURSDAY, 3 APRIL 2025** in
1ST FLOOR COUNCIL CHAMBER at 9H00.

PRESENT: Councillors ZH Magubane (Chairperson), R Khanyile, L Mgaga, B Mkhize, TC Ngubane, JJ Ngubo, R Niemand, DB Phungula, S Reddy, T Zondi, MB Zuma and S Zuma.

ABSENT: Councillors S Mncwabe (indisposed) and P Sithole (indisposed).

OFFICIALS

PRESENT: Messrs M Zuma (Deputy Municipal Manager: Community Services [Acting]), W Mhlongo (Senior Manager: Waste Management), H Zondi (Manager: Municipal Public Accounts Office), MS Ballim (Deputy Chief Fire Officer), M Hlela (Traffic Officer) and B Halimana (Manager: Performance Management). Mesdames TT Ntuli (Manager: Disaster Management), S Bhim (Manager: Library Services [Acting]), JZ Mpanza (Senior Superintendent: Security Services), A Sewcharan (Committee Officer) and C Jacobs (Committee Officer).

ALSO

PRESENT: Councillor N Msimang (Chairperson: Community Services Portfolio Committee).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present at the meeting and commended the Chairperson of the Community Services Portfolio Committee for her attendance.

Applications for leave were received from Councillors S Mncwabe and P Sithole who were indisposed. Councillor N Msimang requested to leave the meeting at 10h00 to attend a doctor's appointment and S Zuma requested to leave at 12h00.

Apologies were tendered on behalf of the Senior Manager: Area Based Management (ABM) and the Manager: Library Services who had official commitments.

It was

RESOLVED

That Councillors S Mncwabe and P Sithole be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

2. DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee.

NOTED.

The Deputy Municipal Manager: Community Services provided a brief overview of the Unit and mentioned that to improve turn-around times for incidents, the Municipality had started a process which should see two more fire stations opened in the vast Vulindlela area and Northdale suburb of the City, however, due to financial constraints those projects had been placed on hold. He stated that whilst staff shortages and ageing infrastructure was a challenge this was combated by a constant attempt to ensure that a minimum manning standard was complied with on a daily basis, even at the expense of overtime costs. He provided the statistics for the Fire Services Unit and mentioned that vehicle repairs and maintenance was negatively impacted by poor supply chain processes which failed to recognize emergency fire vehicle repairs as urgent. He stated that the Training Academy was registered as an accredited LGSETA training institution.

NOTED.

3.4 Component G: Traffic & Security Department

(Page 575 of the Annual Report 2023/24)

The Deputy Municipal Manager: Community Services highlighted the priorities of the Unit in terms of enforcement Officers, Traffic Wardens and Traffic Officers. He outlined the measures taken to improve performance in terms of the submission of operational plans, sector patrols, Joint operational roadblocks with other law enforcement agencies and public safety education and training (Schools, Taxi Ranks and shopping malls).

NOTED.

3.5 Municipal Security

(Page 35 of the Annual Report 2022/23)

The Deputy Municipal Manager: Community Services highlighted the statistics in terms of the number of security incidents, number of by-law infringements attended, number of security officers in the field on an average day and number of security officers on duty. He stated that the Unit was responsible for stabilizing situations when normal law enforcement was insufficient, namely, to counter land invasions and relocations, Human Settlement, occupation of prescribed land, the safeguarding of municipal buildings in situations that may be volatile, Illegal dumping/ trading, Bylaws, assist with forced removals, protest marches / crowd management during public gathering and demonstrations and removing of homeless people in the Central Business District (CBD).

NOTED.

3.2 Component D: Recreation & Facilities

(Tabled at the meeting)

The Deputy Municipal Manager: Community Services provided a brief overview of the Recreation and Facilities Unit in terms of the composition of the following core functional areas:

- Parks Management (Horticulture, flora, fauna, and arboriculture)
- Sports & Recreation Management
- Cemeteries & Crematoria
- Conservation & Environment
- Library Services-Community Outreach Programmes
- Maintenance of Council Buildings and Facilities
- Expanded Public Works programme (EPWP)
- Service Statistics for Recreation and Facilities

NOTED.

3.6 Area Based Management (ABM)

(Page 562 of Annual Report 2023/24)

The Deputy Municipal Manager: Community Services provided a brief presentation on the Unit in terms of the background, challenges faced, Vulindlela operational structure/areas, government services and service statistics for the Area Based Management Unit.

NOTED.

(At this stage of the proceedings (10h00) the Chairperson of the Community Services, Councillor N Msimang left the meeting)

4. CONCERNS RAISED

(Raised Verbally)

The following concerns were raised:

- Concern was raised regarding the objectives of the Waste Management Unit in terms of waste removal, and it was indicated that this was non-existent, and illegal dumping was not addressed adequately; hence, it was requested that a turn-around strategy should be implemented for this. It was stated that the facts should be reflected in the current Annual report for the public to be aware of what was going on. Additionally, clarity was sought on number of households that refuse collection was done per Ward as the Unit had indicated that the collection area had been expanded. It was believed that the Unit was misleading residents as collections were not taking place timeously and adequately irrespective of the service being paid for.
- It was stated that the quantity of waste collected did not equate to the number of fleet that the Municipality had, which resulted in many challenges such as the delay of refuse collection, burst tyres, and breakdown of vehicles. Hence, it was suggested that those challenges be incorporated into the report for public consumption and fleet be maintained.
- It was noted that the collection of refuse was 51% of what was expected which was far below what was anticipated.
- Clarity was sought on the manner in which illegal dumping was being addressed. It was mentioned that residents in the townships were unaware of where and how refuse should be disposed of. It was therefore recommended that the Unit provide awareness programs in for waste disposal to educate residents for the prevention of illegal dumping. It was further recommended that the Unit increase the collection base, include them on the database, remove refuse accordingly and provide them with areas that they could dispose of their refuse to avoid illegal dumping.
- In terms of disaster management, it was requested that the Annual report highlight the financials and the reasons for expenditure.
- Concern was raised in terms of the ageing fleet and equipment for the Fire Services Unit, and it was emphasised that for proper services to be provided, a substantial budget and staff was required. It was further acknowledged that this Unit required close attention to achieve its standard.
- It was mentioned that the Security Unit was completely dysfunctional due to the delayed response time when attending to issues of land invasion.
- It was stated that Land Invasion was a total disaster in the Municipality as land was stolen and services were not paid for, houses were built illegally, roads were being constructed illegally; particularly in areas such as Henley Dam and Ambleton. It was emphasised that this Unit should be concentrating on this matter and attending to such issues to improve the Municipality's financial situation.
- Clarity was sought regarding the Security Unit, and it was stated that this was a major issue as law enforcement was non-functional. Additionally, it was stated that this Unit was ineffective due to it being under-resourced and understaffed. Hence, it was recommended that the Committee submits a report to Council to address this issue appropriately for improvement in terms of lack of capacity.

- It was stated that the cemeteries which should be a major tourist attraction were in an appalling condition.
- The grass cutting in the city was questioned and it was emphasised that this was a major problem and a non-functional issue. It was stated that the facts should be reflected in the current Annual report for the public to be aware of what was going on. Additionally, it was stated that the tools of trade were insufficient and due to the Expanded Public Works (EPWP) workers, no longer working at the Municipality, this had a major impact on grass cutting.
- Concern was raised regarding the appalling state of the buildings and facilities, and it was mentioned that the facts of this and how it would be addressed should be reflected in the report.
- In terms of the By-law infringements, it was stated that this was a major problem and the reaction time was delayed once the report was made by Safe City. It was recommended that the Unit in consultation with Safe City submits a report on the statistics for the Notice of Contraventions issued to determine the revenue collected for the city.
- It was stated that the Auditor-General had pointed out that the submissions were unclear
- In terms of the vacancy rate, it was stated that this was a contradiction as the Deputy Municipal Manager: Corporate Services Business Unit had stated that those responsibilities were confined to the relevant Units. However, the Unit had indicated that they were not in possession of the employment statistics. Hence, the Committee questioned the Unit on how they would be able to determine the vacancy rate if it was not provided by them. It was mentioned that the Unit should declare the vacancies to the Human Resources Unit. Subsequently, it was recommended that the Deputy Municipal Manager [Acting] submits a report to the Committee in terms of the vacancy rate within the Unit.
- Clarity was sought on the 90% pedestrian walkways maintained as outlined in the report and it was believed that the information was incorrect, and evidence thereto should be provided.
- Clarity was sought regarding the functions and composition of the Area Based Management Unit (ABM) Unit. The status of the Area Based Management (ABM) Unit in terms of their plans and purpose was queried and it was felt that this Unit was irrelevant and inflated.
- Concern was raised in respect on the non-functioning crematoriums and a turn-around strategy was requested to deal with this. It was mentioned that this concern had been raised at the previous Oversight meeting, however, it had still not been addressed. It was mentioned that previously it had been reported that a Service Provider would manage the crematorium, which had not materialised as it was still problematic. Hence, it was recommended that an agreement be entered into with a non-profit organization to upgrade and manage this commodity efficiently.
- The Committee believed that the current Annual report was similar to the previous one as information was cut and pasted. It was acknowledged that this Unit was essential for service delivery to the city where revenue was generated.
- Clarity was sought on whether the recycling centre was operational at the Landfill Site and it was mentioned that this should be incorporated into the Annual report as it was a source of revenue generated for the city.
- Clarity was sought on whether the Umdloti Municipality paid for disposing their waste at the Landfill Site and whether this revenue was recorded in the financial records of the Municipality.
- It was stated that the Human Settlements Department had not entered into an agreement with the Waste Management Unit for the collection of refuse for the 453 new flats that were constructed at the Jika Joe Settlement, hence, they disposed of their refuse in Fitzsimmons Road and partially on the N3. It was noted that this was a source of revenue for the Municipality, thus it was anticipated that the 2025 Annual report would reflect the agreements made and revenue generated from this.
- It was felt that the report was inadequate due to its lack of information on the budget, difficulties and challenges that the Unit encountered.
- Clarity was sought on the absence of Traffic Officers in the city particularly during peak hours and when robots were dysfunctional. Furthermore, it was indicated that Traffic Officers were non-existent at school intersections, which made this a disaster waiting to happen. It was requested that communication be submitted to schools informing them of the reasons for the absence of traffic officers at schools.

- Committee requested that the Annual report be a true reflection of what happened in the financial year. It was stated that there were no indicators in the report, as the indicators to measure performance were not reflected, which deprived the Committee of its oversight role. Moreover, it was indicated that the Performance Unit should identify this issue, not the Auditor-General.
- The budget of 42% spent was questioned and it was believed that this was treason due to the number of issues that needed to be addressed in terms of waste collection, traffic lights, maintenance of vehicles and parks, illegal dumping, security, grass cutting and maintenance of swimming pools.
- Clarity was sought on the amount of R705 085 which was budgeted for relief material.
- Clarity was sought on the reason for the change of the indicators regarding the traffic signal repairs and it was stated that this should have been 100%, however, it was reduced to 12%.
- Committee was referred to page 576 on the core functions and responsibilities of the Traffic Unit and it was indicated that only the estimates were provided, not the actuals in terms of road traffic accidents and by-law infringements. Therefore, the achievement of the Unit was not reported.
- Committee was referred to page 349 of the report and it was indicated that the information was the same for all the financial years as the figures had not changed in the report.
- It was stated that the Land Invasion Unit was part of this Business Unit, however, information on this Unit had not been included in the current Annual report.
- Clarity was sought on the livestock roaming in the road in the Vulindlela area and strategies implemented to address this.
- It was mentioned that residents were disposing of refuse in the rivers in Vulindlela area and clarity was sought on measures taken to address this.
- It was stated that the inhabitants of the Vulindlela area had no water and were obtaining water from the rivers.
- Clarity was sought on the absence of security personnel in the city and it was stated that their assistance was essential for crime-related issues.
- Clarity was sought on the status of the Expanded Public Works Program (EPWP) workers
- Concerns were raised in respect of poor domestic waste collection and broken trucks in the Workshop, which contributed to illegal dumping. The status of the garden refuse sites were queried, particularly, Link Road which was in a terrible condition. The cleanliness of the taxi ranks was queried, and it was mentioned that those were in a bad condition and action was needed. Clarity was sought on the status of the sports facilities and it was indicated that they were poorly maintained.

5. RESPONSES

(Raised verbally)

The Manager: Performance Management provided a brief explanation of the template for reporting on the Annual report and stated that the template used previously consisted of statistics for staff establishment; however, this had since changed. In addition, he stated that the format was not aligned when they reported to the departments. He highlighted the format for the Annual report in terms of Circular 63 which led them to the reporting process for the purpose of the check list. Subsequently, it was recommended that the changes should be included in the checklist of the next Annual report.

In response to a concern raised regarding the cemeteries, the Deputy Municipal Manager: Community Services [Acting] concurred with the appalling state of them and indicated that strategies were being implemented to address this issue holistically. Regarding Disaster Management he mentioned that an additional budget would be provided for this. In response to a concern raised on the Fire Unit he stated that the report would be included in the 2025/26 Annual report. Regarding the delayed responses to Safe City, he stated that previously they were active, however, due to a lack of staff, responses were delayed and would be addressed accordingly.

The Deputy Municipal Manager: Community Services (Acting) emphasised that the statistics for the vacancy rate were reflected in the report previously, however, the new template for the current Annual report did not permit this. Regarding the statistics review for revenue enhancement, he mentioned that this would be included in the Annual Report for the next financial year. In respect to a concern raised on illegal dumping he concurred that this was problematic due to challenges experienced with skip bins and transport. He indicated that an Integrated Waste Management Plan (IWMP) would be implemented to address all sections of waste management from domestic, industrial waste collection to illegal dumping etc. Regarding the garden refuse sites, he agreed that they were in a bad condition; however, they would implement interventions to improve the situation. He mentioned that during waste collection two bags of garden refuse were allowed to avoid dumping.

In response to clarity on the Area Based Management (ABM) Unit in terms of their functionality, the Deputy Municipal Manager: Community Services [Acting] emphasized that this Unit was a critical component of the Msunduzi Municipality in terms of community-based planning and social facilitation. He stated that they would alter the report to include the breakdown of the staff statistics which would clarify the composition of the Unit. In response to a concern raised on the Security Unit, which was inadequate, he stated that this was a matter of contention in terms of the Single Law Enforcement Unit, as issues in terms of law enforcement and security would have to be considered together, hence, a decision would have to be made on which Unit would become static and the manner in which other matters would be activated.

Regarding land invasion, the Deputy Municipal Manager: Community Services (Acting) stated that the Human Settlement Unit needed to address this effectively as open spaces should have notices for planned projects to avoid land invasion. Responding to a concern in respect to the crematoriums, he mentioned that due to the applicants not meeting the criteria of the tender, a company had not been appointed to manage it. Hence, the Municipality continued to manage both crematoriums A and B. He added that crematorium A was functioning adequately, however, due to sabotage they were experiencing challenges. He further stated that they were currently waiting for the testing to be conducted in Crematorium B and a report to this effect was submitted to the Strategic Management Committee who questioned it in terms of the Municipal Financial Management Act (MFMA). In response to a concern raised regarding grass cutting, he agreed that it was a challenge and stated that the Unit was addressing priority areas instead of submitting to a planned schedule. In response to the scholar patrols, he asserted that he had deliberated this issue with the officials greatly due to a gap which had been created when the authorized officers had left. Consequently, the Department of Transportation had been informed and were requested to utilize the new Expanded Public Works Program (EPWP) workers to address this issue. Thus, he undertook to submit an updated progress report in the 2024/25 Annual Report.

Responding to a concern regarding Ward-based programs, the Deputy Municipal Manager: Community Services (Acting) stated that those programs were highly satisfactory and were destroyed by the Infrastructure Unit due to the non-reporting of their projects. Regarding the missing indicators, it was reported that this was due to the non-reporting of the outer 2 years. In terms of the status of the Expanded Public Works Program (EPWP) employees, he mentioned that the budget for this project needed to be considered adequately. Additionally, he mentioned that that a further initiative regarding this project would be considered in the current financial year. He stated that the EPWP workers dealt with the environment of the city. In terms of the Service Delivery and Budget Implementation Plan (SDBIP) he outlined the challenges regarding the overstatement and understatement. He apologised for the recording of the incorrect statistics for the Traffic Unit and indicated that this would be amended accordingly prior to submitting it to Council for adoption. Regarding land invasion, he agreed that this was problematic, hence he suggested that a comprehensive report from the Deputy Municipal Manager: Sustainable Development and City Enterprises be submitted to the Committee to address the concerns raised.

Regarding the grazing of animals on the road, the Deputy Municipal Manager: Community Services (Acting) stated that the Municipality in consultation with the Amakhosi would address this issue. Additionally, he stated that the Animal Pound would be included in the next Annual Report as it was not included in the current one. In response to a concern raised regarding the response by the Security Unit in terms of the illegal street mechanics in the city, he stated that this would be indicated in the next Annual Report.

Regarding a request for recycling centre in the Edendale area, he stated that a budget had not been allocated for this, and they needed to interact with the community in relation to this issue. In terms of the vandalism of halls, he believed that this was a security issue and highlighted the measures that should be implemented, such as scanners, alarm systems, partnership with other companies, Safe City and cameras. Responding to a query regarding the maintenance of sports facilities and taxi ranks, the Deputy Municipal Manager: Community Services [Acting] explained that this was due to an insufficient budget and most residents utilised those facilities without payment.

In terms of the statistics for collection, the Senior Manager: Waste Management indicated that those indicators were not Ward-based. He outlined the factors for data collection and stated that an official was required to be appointed to conduct a physical audit of all the addresses. Regarding a concern raised in terms of dumping in the Edendale area, he mentioned that services were provided in that area and trucks were conducting refuse collection weekly. Regarding the expansion of the Wards for refuse collection, he stated that those included Wards 1, 3, 13 and 18.

The Senior Manager: Waste Management stated that the recycling centre at the Landfill Site had been discontinued due to the drugs in the vicinity. Regarding the workshop, he mentioned that allocations were prioritized in terms of the budget. In terms of the Expanded Public Works Programme (EPWP) employees, he stated that the grant was reduced annually due to challenges in the reporting process.

Regarding land invasion issues, the Manager: Security Unit stated that the Human Settlement Unit needed to ensure that land was well demarcated for the Security Unit to be aware of who the custodian of the land was. She confirmed that Units responded to land invasion complaints when received. In terms of law enforcement in the Central Business District and Scottsville, she stated that this was being conducted in consultation with Operation Qoqomali. She urged members of the Committee to inform the Unit of any land invasions through their emergency control centre as they maintained those records. She outlined the procedures for marches/pickets and stated that the Unit was not allowed to refrain people from exercising their democratic rights according to the Gatherings Act. She emphasised that the homeless children was not entirely the Security Unit's responsibility and should be addressed holistically. Regarding the traffic lights and signals, she mentioned that the Traffic Officers controlled traffic when the traffic lights/signals were non-operational in the city.

The Manager: Performance Management provided a brief explanation of the missing indicators in the Annual Report 2023/24.

Subsequent to much discussion, it was

RESOLVED

- (a) That the Manager: Performance Management ensures that the Municipal Public Accounts Committee (MPAC) was informed of the appropriate amendments to the Annual Report.
- (b) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the vacancy rate in terms of the posts that were declared vacant regardless of the budget.
- (c) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding revenue collection in the Traffic Unit.
- (d) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding the composition and functions of the Area Based Management (ABM) Unit.
- (e) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the Security and Land Invasion Units in terms of the number of vacancies, resources required to manage the Unit, and the Nature Reserve, the number of firearms and their functions.

- (f) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report in terms of the statistics of Wards that were being billed for refuse collection and those that were not billed.
- (g) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report in terms of a contingency plan for waste disposal.
- (h) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report regarding the composition of a community-based programme in Wards in terms of recycling to enable job creation.
- (i) That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report on the security of community halls in terms of the procurement of surveillance cameras and contracting security companies for response purposes.
- (j) That the Deputy Municipal Manager: Community Services (Acting) ensures that the monitoring of the study for the Section 78 for the crematorium sites is continuously done.
- (k) That the Deputy Municipal Manager: Community Services (Acting), in consultation with Safe City, submits a report on the statistics for the Notice of Contraventions issued to determine the revenue collected for the city.

6. **FURTHER APPLICATIONS FOR LEAVE**

(Raised verbally)

There were no further applications for leave.

NOTED.

The meeting terminated at 13h30

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>Claudette Jacobs</i>	10/04/2024
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>B Duze</i>	10/02/2024

MSUNDUZI LOCAL MUNICIPALITY



MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE – CORPORATE SERVICES BUSINESS UNIT
--

Meeting held on **TUESDAY, 18 MARCH 2025** in
2nd FLOOR BOARDROOM, HARRY GWALA STADIUM at 9H00.

PRESENT: Councillors ZH Magubane (Chairperson), R Khanyile, B Mkhize, L Mgaga, R Niemand, TC Ngubane, JJ Ngubo, DB Phungula, S Reddy, P Sithole, T Zondi, MB Zuma and S Zuma.

ABSENT: Councillor S Mncwabe (no leave application).

OFFICIALS

PRESENT: Mesdames M Molapo (Deputy Municipal Manager: Corporate Services), S Mbokazi (Senior Manager: Legal Services [Acting]), F Ndlovu (Project Champion), B Hlubi (Support Services Manager: Human Resources), E Mahlangu (Support Services Manager: Human Resources), N Sikhakhane (Manager: Secretariat), BT Khuzwayo (Advisor: Skills Development), S Mkhize (Chief Legal Advisor [Acting]), N Khawula (PMS Advisor), Messrs X Ngebulana (Senior Manager: ICT), H Zondi (Manager: Municipal Public Accounts Office), SA Mkhize (Chief Legal Advisor), SN Dubazana (Senior Manager: Secretariat & Auxilliary Services), S Pillay (Manager: Occupational Health & Safety), B Halimana (Manager: PMS), SD Mtolo (Advisor: Organizational Development), W Schnaar (Manager: Information Services), L Mavundla (Manager: Employee Relations), S Sibisi (Interpreter) and Ms. C Jacobs (Committee Officer).

ALSO

PRESENT: Ms EM Thomson and Mr A Waldhausen (members of the public).

1. **WELCOME AND APPLICATIONS FOR LEAVE**

(Item 1 of the agenda)

The Chairperson welcomed all present at the meeting.

There were no applications for leave received.

NOTED.

2. **DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA**

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee.

NOTED.

3. ADMINISTRATIVE GOVERNANCE

(Page 15 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services introduced her team and stated that the Senior Manager: Human Resources' position had been advertised and would be occupied soon.

The Deputy Municipal Manager: Corporate Services provided a brief presentation on the administrative structure indicating that the five Business Units that mirrored the Committee portfolios reported to the City Manager. She briefly outlined the Business Units and stated that those Units which were headed by the Deputy Municipal Managers, ensured that services were delivered to the Msunduzi Municipality residents.

NOTED.

4. INTRODUCTION TO MUNICIPAL WEBSITE CONTENT AND ACCESS

(Page 33 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services provided a brief presentation on the Msunduzi Municipality website. She stated that it served as a central platform for disseminating information to the public and encompassed a wide range of content, including news updates, municipal documents, announcements, and departmental reports, designed to keep the community well-informed about services and activities. She gave a brief overview of the Standard Operating Procedures (SOP) in terms of Information Supply, the Uploading Process, Responsibility for Upload Turnaround Time, and Challenges. She provided a brief overview of the contents on the Municipal Website and emphasized the fact that concerns would be raised on documents that were not recorded on the Website at the time of the audit. She outlined the comments and overall access of the Municipal Website and stated that the website was crucial for transparent governance and regular updates maintained relevance and trustworthiness. She emphasized that approval for funding for the proposed improvements was eagerly anticipated.

NOTED.

5. CHAPTER 4: ORGANIZATIONAL DEVELOPMENT PERFORMANCE

(Page 126 of the 2023/2024 Annual Report)

5.1. Component A: Introduction to Municipal Workforce

(Page 126-128 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services advised the Organisational Development section served as a change management agent for the Municipality, facilitating policy vetting and planning for Roadshows designed to educate employees on policy changes and the introduction of new policies in the workplace. She added that the Change Management Communication Masterplan was approved by Council and included five catalytic projects, namely:

- The implementation of New Staff Regulations,
- Structural Review (2023),
- Individual Performance Management Development System (IPMDS),
- Competencies
- Financial Recovery Plan.

She stated that several of those projects had already been implemented, and various Roadshows and consultations had been held to assist employees with the upcoming changes. She pointed out that the Climate Survey would be reviewed in the next financial year.

The Deputy Municipal Manager: Corporate Services provided an extensive overview of the employee totals, turnovers & vacancies and indicated that in terms of the 2023/24 Annual Report, the vacancy rate was currently 47.24%. She added that the Municipality had set aside R50m for recruitment processes.

NOTED.

5.2 Component B: Managing the Municipal Workforce

(Page 129 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services pointed out that a few policies had been reviewed in alignment with the Municipal Staff Regulations with effect from 1 July 2023 to ensure that human resource practices were adhered to. She gave a brief overview on the injuries, sickness and suspensions highlighting the total estimated cost of injuries on duty and indicated that there were no fatalities reported. She outlined the executive summary in terms of the Occupational Health and Safety Unit and emphasized that sick leave was currently being monitored especially in cases where it was frequented and not justifiable.

Furthermore, she outlined the report in terms of the number and period of suspensions during the reporting period and emphasized that the maximum days for suspension was 90 days or three months. She stated that fraud and corruption and financial misconduct cases were complex hence the investigations were taking long to complete.

The Deputy Municipal Manager: Corporate Services outlined the performance awards, particularly the Senior Management levels (13-15) and explained that the rewards awarded were in alignment with the Conditions of Service for long service awards. She emphasized that none of the Section 56 and 57 employees had received bonuses. She explained that the Municipality was currently cascading performance management to other levels in line with the 2021 New Staffing Regulations and Integrated Personnel Management System (IPMS) Policy. In addition, it was pointed out that performance management was currently not linked to a rewards system.

NOTED.

5.3 Component C: Capacitating Municipal Workforce

(Page 137 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services indicated that the municipal workforce was capacitated through the current framework of the Municipality and the Workplace Skills Plan (WSP) based on the Personal Development Plans submitted by employees. She provided a brief overview of the financial competency development progress report and advised that the competency level of employees was high, highlighting that those that were not competent, were undergoing training to improve their capability.

NOTED.

5.4 Component D: Managing the Workforce Expenditure

(Page 137 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services provided a brief overview on the workforce expenditure in terms of the number of salaries that had increased due to the upgrade of positions, employees whose salary levels exceeded the grade determined by job evaluation and employees not appointed to established posts. She emphasized that job descriptions were thoroughly examined to standardize them in accordance with the job grading.

NOTED.

5.5 Annual Report of the Audit Committee for the Period 1 July 2023 to 30 June 2024

(Page 162 - 167 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services outlined the report in terms of the Audit Committee members attendance and functions of the Audit Committee. She pointed out that a detailed report would be provided by the Audit Business Unit during their presentation.

NOTED.

5.6 Chapter 6: Auditor-General Audit Findings

(Page 149 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services stated the Msunduzi Municipality had received a qualified audit opinion. She outlined the material irregularities in terms of salary payments to a manager that never reported for duty, management of the forestry and indicated that the Corporate Services Business Unit had been advised to follow a process for recovery. She identified issues relating to the Information and Communications Technology (ICT) Unit and stated that some systems were obsolete and were transferred to the Risk Register.

NOTED.

5.7 Appendix A: Councillors; Committee allocation and council attendance

(Page 169 of the 2023/2024 Annual Report)

5.8 Appendix B: Committee and Committee Purpose

(Page 171 of the 2023/2024 Annual Report)

The Deputy Municipal Manager: Corporate Services provided a brief overview on items 5.7 to 5.8

NOTED.

6. QUESTIONS AND RESPONSES

(Raised verbally)

Concerns were raised in relation to the following aspects of the Annual report:

- Clarity was sought on the high sick leave and vacancy rate, which had not been investigated and it was requested that this be reflected in the report. It was suggested that a strategy be developed to address this issue which impacted on the Municipality and service delivery. Concern was also raised on the timeframe to fill vacancies and funding of posts.
- The lengthy suspensions were questioned, and it was stated that there was no proper plan or explanation provided in the report. It was further mentioned that employees who were suspended were requested to return to work, which was senseless and shocking.
- The non-submission of bonuses to Section 56 and 57 managers was commended due to the Municipality's current financial situation.
- A concern was raised in terms of the demographics and the failure of adhering to the Employment Equity Policy each year. It was suggested that the Annual Report should indicate what was being done to balance the demographics in order to make the Municipality effective. It was recommended that employees be charged for not ensuring proper demographics as this issue was being ignored.

- The Councillors attendance was queried and it was indicated that the report did not reflect the details pertaining to the names, number of meetings not attended, and reasons for non-attendance.
The code of conduct for Councillors was outlined and it was emphasized that Councillors should be removed from Council in terms of this. It was suggested that the outcome of this should be reflected in the report.
- It was requested that the spelling of Councillor Rienus Niemand's name be amended accordingly.
- The financial misconduct on suspensions was queried and it was suggested that cases be monitored and expedited.
- Capacity building – clarity was sought on the number of employees trained to enable competency
- Committee Allocations – it was requested that Councillor Sbongumusa Zuma's name be removed from the Municipal Public Accounts Committee (MPAC) list as he was not a member of the Committee.
- The allocation of employees to established posts was questioned and it was stated that posts were not filled at the Waste Unit as most EPWP workers were employed there.
- Clarity was sought on the ABM Unit and their functions
- It was requested that Councillor Majola's name be removed from the list of Councillors as previously requested.
- Clarity was sought in relation to the functioning of the organogram for the departments which was unclear.
- Clarity was sought on the scarce skills and it was stated that qualified people were required.
- Clarity was sought on the status of the EPWP workers and the Unit they were placed in.
- The number of Law Enforcement Officers was questioned, and it was indicated that they were invisible.
- Clarity was sought on the composition and frequency of the Security Committee.

Subsequent to the concerns raised by the Committee, the Chairperson emphasized the critical need for a strategy to address the vacancy rate issue and the suspensions which impacted on service delivery.

Responding to a concern raised in respect of the high vacancy rate, the Deputy Municipal Manager: Corporate Services indicated that this was a process issue. She outlined the processes in terms of the recruitment of staff and mentioned that a requisition was required on record from the relevant departments indicating that a position would be filled. Subsequently the position would be advertised, shortlisting and interviews would commence and ultimately a recommendation would be made. She added that the entire process took approximately three to six months, however, three months was stipulated in the Standard Operating Procedures (SOP). She stated that the process usually took longer than three months when the appropriate person was not identified, thus the entire process had to be repeated.

The Deputy Municipal Manager: Corporate Services emphasized that the most crucial issue for the recruitment of staff was whether posts were funded or not. She added that the vacancy rate should be effectively scrutinized against whether posts were funded or not. She further added that it was essential for Business Units to indicate whether posts were funded or not for recruitment purposes as most were not. She pointed out that there were two categories of posts in the current financial year, namely, posts for recruitment and priority posts. She advised that priority posts were recruited differently with funding set aside for them (R50m). To ensure that recruitments were done timeously, she stated that recruitment plans had been undertaken for all departments.

She provided a brief overview of the Recruitment Plans regarding the timelines projected, the nature of the posts and the panel, and mentioned that they had been submitted to the Municipal Public Accounts Committee (MPAC) for consideration. She highlighted the report submitted and stated that MPAC would be updated quarterly on the recruitment plans. She advised of the challenges experienced regarding the delay in recruitment processes in terms of postponement and possible reasons for this. She emphasized that the Corporate Services Business Unit was the agency that facilitated the recruitment process, however, Chairpersons appointed on the Panel were ultimately responsible to ensure that processes were completed. She pointed out that the

Chairperson of the Panel needed to be the direct supervisor of the post, and the Deputy Municipal Managers should have an interest in the process. She stated that in instances where processes were incomplete, a legal opinion was sought for the processes to resume. She outlined the importance of employees ensuring that timelines were adhered to in terms of service delivery and pointed out that consequence management was implemented in her Unit in such instances.

Responding to a query raised regarding demographics, the Deputy Municipal Manager: Corporate Services stated that the Employment Equity Plan and the Policy had been approved by Council in September 2024. She advised that prior to their approval, there had been no structured way to address Employment Equity issues. She outlined the purpose of the Plan in terms of the demographics, gender, age, disability and indicated that the Plan would illustrate the demographics. She pointed out that current advertisements were done in accordance with the Employment Equity Plan which targeted specific groups in terms of demographics; however, she indicated that irrespective of the advert targeting a specific group, it was imperative that the person performed accordingly in the interview process.

In response to a concern raised regarding the elevated sick leave, the Deputy Municipal Manager: Corporate Services stated that the anomaly was the responsibility of the line managers and a possible investigation was underway. She stated that some line managers did not take appropriate action in accordance with the provisions of the Leave Policy which provided them with guidance. She added that the abuse of sick leave was linked to the consequence management report and suggested that a special meeting be held to address it.

The Deputy Municipal Manager: Corporate Services noted the request by Councillor Rienus Niemand for his name to be corrected in the Annual Report.

Responding to the concern in relation to the financial misconduct, the Deputy Municipal Manager: Corporate Services indicated that those cases were dealt with in accordance with the Municipal Financial Management Act which consisted of a Financial Management Misconduct Board. She indicated that the Chairperson of the Board was the Audit Committee Chairperson. She advised that the issue was under the jurisdiction of the Internal Audit Unit and should be addressed at their Oversight meeting as the Human Resources Unit was responsible for misconduct only, not financial misconduct.

In terms of the training of staff, the Deputy Municipal Manager: Corporate Services indicated that employees were required to submit a Personal Development Plan to their respective managers which would address their shortcomings. She explained that this documentation was submitted formally to the Local Government Sector Education and Training Authority (LGSETA) who assisted with the funding. She stated that the previous Structure did not address the purposes and functions of departments, however, the current structure would explain this in detail, particularly the Area Based Management (ABM) Unit, which was questioned. Regarding the details of the Security Committee, she stated that the Chairperson was the Speaker and this was under the jurisdiction of the Public Safety Unit. She mentioned that a request for additional information regarding this would be made to the Unit accordingly.

Responding to a concern in relation to the recovery of revenue from the sale of timber, the Chief Legal Advisor stated that they had received further updates from the attorney dealing with the matter. She briefed the Committee on the events which took place in 2024 and outlined the delays experienced in respect to the payment of Counsels fees and the briefing of an Advocate. She advised that progress had been made in terms of this and they were currently briefing another Advocate.

Regarding the attendance of meetings, the Senior Manager: Secretariat & Auxilliary Services pointed out that the information was provided by the Office of the Speaker, not the Secretariat Unit. In terms of the Security Committee, it was stated that the Chairperson was the Speaker and scheduled meetings were not held due to its nature of it; meetings were only held when there were threat issues to Councillors.

In terms of the Recess Committee the Senior Manager: Secretariat & Auxilliary Services pointed out that he would establish whether Council took a resolution to abolish this Committee. He stated that emergency issues were dealt with in convening special meetings of the Executive Committee or Council.

In terms of the Auditor-General's findings for the Information and Communications Technology (ICT) Unit, the Senior Manager: ICT stated that they were addressing repeat findings, mainly the systems and weighbridge issues and this would be placed on the ICT Risk Register which would be monitored and tracked to reduce findings.

The Manager: Performance Management noted the following amendments to the report:

- On page 136 of the report under the heading, the financial year be rectified
- the removal of Councillors Zuma and Majola names from the Councillors list
- include the Councillor's attendance under the Speaker's Office
- rectify the spelling of Councilors Niemand's name and
- include additional information under the Security Committee.

Responding to concerns on the demographics, the Project Champion advised that improvements had been made since the previous years as two Committees had been established, namely the MACRO and the MICRO Committees. She pointed out that the MACRO Committee convened quarterly meetings. She added that those meetings were chaired by the Deputy Municipal Manager: Corporate Services and consisted of representatives from all other race groups to ensure monitoring of the Employment Equity Plan. She indicated that it was the first time that the Msunduzi Municipality consisted of such a committee. She added that the MICRO Committees which was chaired by the various Deputy Municipal Managers, to ensure that the approved Plan was adhered to, and progress was monitored met on a monthly basis. She added that the Implementation Plan which consisted of KPI'S had been submitted to the Municipal Public Accounts Committee (MPAC), however, the performance agreements for Deputy Municipal Managers in the Key Performance Indicators (KPI's) were still outstanding and would be included to ensure accountability. She indicated that although the Corporate Services Unit was the custodian of the Employment Equity Plan, Business Units needed to ensure its implementation. In terms of disabilities she mentioned that a form was circulated to employees to declare their disability which was duly recorded. She further added that current advertisements were in accordance with the Employment Equality Act which encouraged people with disabilities to apply.

Committee was reminded of the issues of consequence management which took long to be concluded and it was indicated that a resolution had been taken by Council for the affected employees to return to work to avoid fruitless and wasteful expenditure.

It was recommended that the Human Resources Unit submits a detailed report in terms of the number of vacancies across all Business Units, reasons not filled, whether the post was declared, whether consequence management had been implemented against managers or Chairpersons of the Recruitment Panel who delayed processes and the number of funded posts. It was further recommended that a comprehensive report on the Area Based Management (ABM) Unit in terms of their functions and composition be submitted to the next Municipal Public Accounts Committee (MPAC). In terms of the Personal Development Plans (PDP's) for employees it was recommended that the Corporate Services engage the Unions and the process be workshopped. It was proposed that the Municipal Manager should be accountable to ensure that departments were functioning efficiently.

It was

RESOLVED

- (a) That taking into cognizance the concerns raised at the current Oversight meeting, the Deputy Municipal Manager: Corporate Services in consultation with all Deputy Municipal Managers and the Municipal Manager [Acting] submits a comprehensive report in terms of the high vacancy rate for the entire Municipality which outlines the reasons that they are not filled, whether the post was declared, the number of funded posts and whether consequence management was taken against managers and

Chairpersons of recruitment panels who were responsible for the delays in the recruitment processes.

- (b) That taking into account the concerns raised at the current Oversight meeting, the Deputy Municipal Manager: Corporate Services submits a detailed consequence management report in terms of the reasons for the delays experienced in finalizing cases, backlog and strategies to expedite them.
- (c) That the Deputy Municipal Manager: Corporate Services submits a comprehensive report on the Area Based Management (ABM) Unit in terms of their functions and composition.
- (d) That in respect to (a) and (b) above, a special meeting be convened, noting that the Committee Officer in consultation with the Municipal Public Accounts (MPAC) Manager will submit the details of the meeting to members of the Committee.
- (e) That the Manager: Performance Management rectifies the amendments in the report in terms of the following:
 - the financial year be rectified on page 136 of the report under the heading,
 - Councillors Zuma and Majola names be removed from the Councillors list
 - the Councillor's attendance be included under the Speaker's Office
 - Councillor R Niemand's name be rectified to "RIENUS"
 - additional information for the Security Committee be inserted in the report.

7. FURTHER APPLICATIONS FOR LEAVE

(Raised verbally)

There were no further applications for leave.

The Chairperson thanked everyone for their participation and re-iterated the importance of members perusing the 2023/24 Annual Report thoroughly in order to effectively engage.

NOTED.

The meeting terminated at 11h50

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>Claudette Jacobs</i>	27/03/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>B Duze</i>	27/03/2025

MSUNDUZI LOCAL MUNICIPALITY



MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE – SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

Meeting held on **THURSDAY, 27 MARCH 2025** in
2nd FLOOR BOARDROOM, HARRY GWALA STADIUM at 09H00.

PRESENT: Councillors ZH Magubane (Chairperson), R Khanyile, B Mkhize S Mncwabe, R Niemand, TC Ngubane, DB Phungula, T Zondi, MB Zuma and S Zuma.

ABSENT: Councillors L Mgaga (study leave), JJ Ngubo, S Reddy (attending a Council meeting at the Umgungundlovu District Municipality) and P Sithole (indisposed).

OFFICIALS

PRESENT: Messrs N Khuzwayo (Deputy Municipal Manager: Sustainable Development & City Enterprises), AN Khoali (Senior Manager: Town Planning & Environmental Management), P Gumede (Senior Manager: Human Settlements), S Myeni (Senior Manager: Development Services), S Keswa (Manager: Environmental Management), A Jadoo (Manager: Environmental Health [Acting]), S Xaba (Manager: Building Control & Signage), N Mkhungo (Chief Planner: GEDI), H Zondi (Manager: Municipal Public Accounts Office), B Halimana (Manager: Performance Management) and S Sibisi (Interpreter). Mesdames N Mofokeng (Senior Manager: City Entities), K Khumalo (Manager: Town Planning), L Plet (Performance Management Advisor), and C Jacobs (Committee Officer).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present at the meeting.

Applications for leave were received from Councillors L Mgaga who was on study leave, JJ Ngubo, S Reddy who was attending a Council meeting at the uMgungundlovu District Municipality, and P Sithole who was indisposed.

An apology was tendered on behalf of the Chairperson of the Portfolio Committee who was attending a special Executive Committee meeting.

Councillor S Mncwabe requested to leave the meeting early to attend a Council meeting at the uMgungundlovu District Municipality.

It was

RESOLVED

That Councillors L Mgaga, JJ Ngubo, S Reddy and P Sithole and be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

2. DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee.

NOTED.

3. ANNUAL REPORT 2023/2024

3.1 Development Services

(Pages 540 – 562 of the Annual Report 2023/24)

The Deputy Municipal Manager: Sustainable Development and City Enterprises introduced his team and provided a strategic overview of the various sub-units within the Development Services Business Unit. He stated that the respective Senior Managers would provide presentations for their sub-units.

The Senior Manager: Development Services stated that the purpose of Development Services was to create an enabling environment for business to grow in order for the economy to grow, resulting in employment. He added that the sub-unit in other small to medium Municipalities referred to as Local Economic Development (LED), primarily dealt with enhancing Economic Development through the development of Small Medium and Micro Enterprises (SMME's) and Cooperatives (Co-ops) and supported the informal economy by facilitating and monitoring of informal street traders and tuck shops/ spaza shops. Furthermore, he provided a brief overview in terms of Business Retention and Expansion, New Investment, the Development Facilitation Committee and Business publication and mentioned that all publications were uploaded on the Msunduzi website under Msunduzi Business Publications.

(At this point of the proceedings, Councillor S Mncwabe left the meeting (09h50).

The Senior Manager: Development Services stated that the focus and objectives of the Unit was to create a conducive and enabling environment for small businesses to do business and to implement the Informal Economy Policy which would be used as a guideline to develop and grow street traders and informal economy businesses within the municipality. He outlined the achievements of the Small Medium and Macro Enterprises (SMME) and Cooperative Development Sub-Unit in terms of the seven Key Performance Indicators and annual targets and stated that they had targeted 20 business opportunities which would be created for local businesses. Subsequently he gave a brief overview of the Msunduzi Municipal Initiative Funding Facilitation, Informal Trade and Street Trading, Licensing and the challenges experienced regarding the collection of revenue related to business licensing. Furthermore, he gave a brief synopsis of the Special Projects (NDPG) for Economic Planning and Infrastructure Sub-Unit in terms of its planning, implementation management and challenges. He pointed out that the Unit had managed to meet all their targets for the 2023/2024 financial year.

NOTED.

3.2 City Entities

(Pages 546 – 549 of the Annual Report 2023/24)

The Senior Manager: City Entities highlighted the achievements of the Unit and gave a brief overview of the City Entities department explaining that the City Entities was a section of the Sustainable Development and City Entities Business Unit and was made up of six sub-units as listed below:

- Airport
- Market
- Tourism
- Tatham Art Gallery
- Forestry
- Safe City

The Senior Manager: City Entities stated that the Market and Forestry were income generating units within the Municipality whereas Tourism and the Art Gallery were units that enhanced revenue through attraction. It was pointed out that Safe city was a fully established entity that assisted the city in crime combating efforts. She gave a brief overview of the projects for the airport and mentioned that during the financial year of 2023/2024 the Business Unit had received an amount of 3 000 000 from Economic Development Tourism and Environment Affairs (EDTEA) for airport infrastructure projects.

NOTED.

3.3 Human Settlement

(Page 550 of the Annual Report 2023/24)

The Senior Manager: Human Settlement provided a brief overview of the Unit in terms of identification of housing needs, Human Settlement Delivery Agents and the services statistics for Human Settlement. He indicated that the Human Settlement section was working together with a Social Housing Institution called Capital City Housing (accredited by the Social Housing Regulatory Authority as per the Rental Housing Act). It was indicated that this Agent was responsible for the provision of the subsidised rental accommodation. Additionally, it was advised that the Municipality was currently investigating the establishment of a Municipal entity to deal with the provision and management of rental housing accommodation, however this had not materialised due to insufficient funding. He stated that the Unit had been able to secure a total amount of approximately R832 900 000 for bulk engineering services to unlock human settlement projects. Furthermore, he provided a brief overview of the Wire-wall rectification projects and stated that the Wire-wall Rectification Program was focused on rectifying the houses that were built in the late 1990's using the wire- wall technology.

NOTED.

3.4 Town Planning

(Pages 560 – 561 of the Annual Report 2023/24)

The Senior Manager: Town Planning & Environmental Management highlighted the core-functions of the sub-unit component which included Building Control; Town Planning, Environmental Health, Environmental Management, Land Survey and the Greater Edendale and Vulindlela Development Initiative (GEVDI). He indicated that in accordance with the Service Delivery and Budget Implementation Plan (SDBIP) targets, building control had to adhere to the following targets:

- 95% of 457 Building Plan Applications <500m2 to be processed for approval by the Plan Approval Committee within an average of 18 days from date of receipt of the application by the 30th of June 2024.
- 662 x building contraventions inspections conducted for illegal building works by 30 June 2024.

The Senior Manager: Town Planning and Environmental Management outlined the challenges in the Unit in terms of building capacity indicating that the majority of Building Enforcement Officers had not been in the employment of the Municipality. He stated that the admission of guilt fines was inadequate for guilty parties who were paying them without difficulty. Additionally, he stated that he had communicated with the Chief Magistrate to increase the penalties and was thus awaiting approval. He stated that the Signage Unit was poorly managed due to insufficient staff which only consisted of two Building Inspectors compared to eThekweni who had a full composition.

In terms of the Environmental Health sub-unit, he pointed out that the core mandate was to monitor the quality of water; however, the state of the rivers was appalling due to the ageing infrastructure. He alleged that the Economic Development Tourism and Environment Affairs (EDTEA) would issue a heavy penalty for the pollution of those rivers.

He added that Environmental Health Services included water quality monitoring, food control, waste management, surveillance of premises, communicable diseases control, vector control, environmental pollution control, disposal of the dead, chemical safety and noise control. It was advised that the service delivery priorities focused on water quality monitoring, food quality and safety, and air quality monitoring. Regarding the notices for the monitoring of food stalls, the Senior Manager: Town Planning and Environmental Management stated that contravention notices were submitted to the court frequently; however, offenders continued with their illegal activities due to the low fines paid. He outlined the statistics for the Environment Health Unit and stated that monitoring of pollution was ongoing.

The Senior Manager: Town Planning and Environmental Management stated that the overall performance of the Environmental Health Unit was satisfactory, despite the issue of enforcement of the By-laws. He highlighted the challenges that the Municipality encountered in terms of compliance with the Environmental Laws, and the employment of an Environmental Officer. He stated that the function was displaced as it should be a District one, as the National Treasury had provided them with the funds for this; thus, the Municipality was not able to benefit from it. Furthermore, he stated that communication was ongoing for the past three years, however, there were no positive solutions. Consequently, a Service Level Agreement (SLA) had been prepared for the benefit of the Auditor-General.

The Senior Manager: Town Planning and Environmental Management highlighted the purpose of the Environmental Management Unit which was to guide development in a sustainable manner and promote compliance within the municipal area, in alignment with Environmental Legislation, policies, plans and guidelines. He highlighted the challenges encountered in terms of the review of the strategic plans for flood risk issues and stated that no funding was provided for a Flood Risk Assessment, hence the Unit was unable to implement this.

The Senior Manager: Town Planning and Environmental Management gave a brief overview of the Greater Edendale and Vulindlela Development Initiative (GEVDI) Sub-Unit which dealt with a myriad of developmental issues, which was also responsible for the planning of Neighbourhood Development Partnership Grants (NDPG) projects in the Edendale area and implementing the Urban Network Strategy as defined in various policy documents within the GEVDI region. Additionally, he mentioned that 75% of the land had been purchased in that region which was a significant achievement. He stated that the area faced a significant challenge in terms of tenure conflicts, which included the acquisition of title deeds; however, in accordance with the Land Surveyors Act, to resolve this, would be costly.

The Senior Manager: Town Planning and Environmental Management stated that the Unit had complied in terms of their Service Delivery Budget and Implementation Plan (SDBIP) as a number of strategic documents had been approved such as the review of the Spatial Development Framework (SDF). However, he stated that the Unit faced difficulties in terms of the lack of staff and the resources of trade.

NOTED.

4. CONCERNS RAISED

Concerns were raised regarding the following aspects of the report:

- Lack of staff in the Building Control Unit – it was mentioned that proper procedures for the provision of student accommodation were not adhered to, By-laws were contravened and due to the backlog, Building Inspectors were finding it difficult to monitor this.
- Admission of guilt issues – it was stated that the project should have been stopped initially to avoid it been taking to court
- Clarity was sought on the plan and regulations to clear rivers in terms of erosion and flooding to ensure that the Municipality adhered to the Environmental Management Plan.
- Food outlets – it was stated that regulations were not adhered to as they were mushrooming up everywhere without proper procedures being followed and no action was taken.

- Tenure conflict - It was stated that this was also occurring in Imbali, and clarity was sought on the how it could be resolved.
- Informal buildings/dwellings – it was requested that a thorough investigation be conducted in respect to this as they were appearing everywhere especially in the residential areas of the Msunduzi Municipality. Clarity was thus sought on the measures to be taken.
- It was stated that the purpose of the meeting was to ensure that the Annual Report correctly reflected the status of the Msunduzi Municipality during that period. However, it was mentioned that the information presented by the Senior Manager: Town Planning and Environmental Management was not included in the report, hence it was suggested that the report be amended accordingly for public consumption. Moreover, it was stated that if the Units were properly staffed and financed, the Msunduzi Municipality's financial situation would be astronomical, and it would be functioning optimally.
- Building controls – it was believed that this was out of control as a few buildings and areas had not been inspected; particularly, areas such as Ambledon, Thamboville, Edendale and Vulindlela.
- Environmental management and pollution – it was suggested that the Msunduzi Municipality benchmarks this against the country such as Rwanda which was the cleanest.
- Land invasion -- it was mentioned that the entire city was confronted with this problem which was not being resolved. Furthermore, it was stated that this issue was not highlighted adequately in the report.
- Environmental health issues – concern was raised with regard to sanitation leakages into the Duzi river and it was felt that water pollution had halted a few projects in the city.
- Clarity was sought on the number of Building Inspectors employed at the Municipality and the number required.
- Clarity was sought on the profits received from the Last Dance held in December 2024
- Clarity was sought on the registration of the spaza shops
- Clarity was sought on the non-approval of the roll-over – it was suggested that a proper explanation be provided in the report
- Rental Housing – it was mentioned that this was a disaster due to non-payment of rentals, cancellations of contracts and theft of water and electricity. It was suggested that the Msunduzi Municipality appoint a rental company for this purpose.
- Informal settlements – it was mentioned that the Jika Joe settlement was a constant problem which was not dealt with properly as a new development had emerged near this area to accommodate those residents, however, this had not addressed the problem as the settlement had increased. It was alleged that owners of the new development were renting out their shacks thus profiting from this.
- Tourism – it was stated that contractors for Tourism refused to take tourists around the city centre due to the appalling conditions in terms of cleanliness and security. It was therefore recommended that this be addressed urgently as it was a revenue-generating avenue for the Municipality and it was suggested that the Unit advertises tourism more.
- Clarity was sought regarding the funding and the status of the Emacheneni in Retief Street. It was mentioned that R4m was provided for this in the previous financial year and R4m for current financial year, however no improvements were made.
- City Entities – clarity was sought on the amount of revenue generated for the Market and Airport and the strategies to ensure the Airport's success.
- Housing rentals - clarity was sought on the rental stock in terms of non-payment and it was indicated that people were invading them as they stopped paying upon acquiring them. Furthermore, it was mentioned that rental stock was in an appalling condition and not maintained adequately as the grass was not cut regularly.
- It was mentioned that the document was a repetition of the previous year as officials cut and pasted information from that year and there was no progress since. Furthermore, it was stated that the report was not detailed as the full report was not included in the 2023/24 Annual Report as outlined by the Senior Manager: Town Planning and Environmental Management.
- Human Settlement - clarity was sought on the manner of addressing the backlog in this Unit in terms of the monitoring of rentals.

(At this stage of the proceedings Councillor MB Zuma left the meeting (10h45))

5. RESPONSES

Responding to the concerns raised regarding informal land invasions, the Senior Manager: Town Planning and Environmental Management stated that the Land Invasion By-laws had been approved in October 2024 which clearly indicated the roles and responsibilities of each official. He added that the Business Unit normally identified land which belonged to the Msunduzi Municipality and land invasion was reported to the Land Invasion Unit which belonged to the Community Services Business Unit. Therefore, they did not evict land invaders, as this was not their responsibility.

Regarding student accommodation the Senior Manager: Town Planning and Environmental Management stated that several contravention notices had been issued for this. He stated that the only option was to obtain a high court order for offenders to stop with the irregularity or demolish the structure. Regarding a concern raised on the admission of guilt fines, he stated that the Unit usually stopped them in the initial stages by informing them to comply by providing them with seven days to submit building plans and stop the activities; however, they get ignored. In response to a concern raised on the fines for the illegal boarding establishments in the Scottsville and Pelham areas, he stated that those were not suitable as offenders took them lightly; therefore, he suggested that the penalties be increased accordingly. He responded to a concern raised about the sale of food outlets in the city, indicating that this was outlined fully in the report in terms to the statistics on the number of notices issued and visitations conducted. In terms of a suggestion made to benchmark environmental management and pollution against the country of Rwanda, the Senior Manager: Town Planning and Environmental Management concurred with this and mentioned that it was essential to consider such. In terms of building controls, it was mentioned that the statistics relating to this was fully outlined in the report in terms to the number of contravention notices issued and submitted to court. He concurred that the issue with Shenstone-Ambleton, and Vulindlela was a major issue and required to be formalized. He advised that the Law normally required that notices be issued to the owner of the property. Furthermore, he stated that Shenstone-Ambleton was owned by the Municipality and the Municipality was required to obtain a court order for the eviction and demolition of those structures, alternatively they had to formalise the township ensuring that municipal services were paid for. He stated that the Auditor-General and National Treasury had requested that those areas be formalised.

In terms to the concern regarding tenure conflict, the Deputy Municipal Manager: Sustainable Development acknowledged the challenges, particularly the housing stock prior to 1994. He stated that an intervention had been made by the Department of Human Settlement to rectify this issue, however, it had not succeeded. Furthermore, he stated that the Unit was attempting to resolve those issues with the funds received from the Department of Human Settlement. Regarding the tariffs for the admission of guilt fines, he stated that they had raised this issue with the Legal Unit as well. He stated that he would submit the new tariffs to the Magistrate for approval.

Regarding the student's accommodation, the Deputy Municipal Manager: Sustainable Development acknowledged the concern raised especially in the Scottsville area and requested Committee to note the dire need for them due to the number of tertiary institutions around this vicinity. He emphasized that the Town Planning Unit was addressing the situation by reviewing the Town Planning Scheme and strengthening the enforcement processes. In terms of Peace Officers, he stated that Town Planners and Building Control Officers were used for this purpose which necessitated the establishment of the Single Law Enforcement Unit.

In response to a concern regarding the amendments to the report, the Manager: Performance Management Systems indicated that his Unit compiled the report, hence their presence at the current meeting. He added that the Unit would remove or include matters as per the request of the Committee. Additionally, he mentioned that the findings for the Local Economic Department (LED) Unit would also be included in the report indicating that there were no findings for the 2023/24 financial year. In terms of the vacancy rate, he mentioned that Circular 63 indicated that this be included in the report for the Corporate Services Business Unit which was sufficiently outlined by the Deputy Municipal Manager: Corporate Services. He stated that in future the Unit would outline Circular 63 in the Annual report for reporting purposes and changes would be made prior to finalisation of the document.

In response to a concern raised regarding Human Settlement, the Deputy Municipal Manager: Sustainable Development and City Enterprises alleged that South Africa was the only country supplying free housing, thus the chances of eradicating this were extremely slim. He agreed that the rental stock was poorly managed and stated that they had previously attempted to appoint a company to manage this however, the Supply Chain Management (SCM) processes were not concluded. He concurred that the upkeep and maintenance of rental stock was a challenge and stated that the Units (grass cutting, building) who were required to assist with this were not in their Unit. Additionally, he stated that they had proposed that the New Structure for their Unit encompass a Unit to deal with maintenance or a management company be appointed to deal with this issue. He stated that a turn-around strategy for this issue would be presented to the Committee in due course.

In terms of tourism, the Deputy Municipal Manager: Sustainable Development and City Enterprises indicated that they were currently restructuring this operation in terms of creating a website to address this. He highlighted the strategies for marketing tourism and indicated that a Tourism Strategy would be submitted to Council for approval. He emphasized the challenges faced in the tender process and stated that they were unable to hire a suitable company to assist with this project. He felt that by putting it out for tender once more would result in the loss of time in terms of the Supply Chain Management (SCM) processes that needed to be adhered to. The existing panel was initiated, the Service Level Agreement (SLA) was currently being finalized, and the appointed firm would commence with the planning activities of the project as anticipated.

Regarding a concern raised on the title deeds, the Deputy Municipal Manager: Sustainable Development and City Enterprises concurred with the Committee in terms of the delay in the issuing them and stated that they were currently addressing this issue with the Department of Human Settlement. In terms of the registration for the spaza shops, he reported that negotiations were ongoing, and they were trying to fast-track the process by ensuring that they were all registered. Furthermore, he mentioned that Municipality was in possession of two data bases for spaza shops, one for the registered ones and the other for the unregistered shops and this would be reflected on the 2024/25 Annual Report. He stated that his Unit, together with Town Planning, the Building Inspectors and Environmental Services had initiated awareness projects for each Ward to ensure compliance.

The Deputy Municipal Manager: Sustainable Development and City Enterprises advised that the non-approval of the roll-overs were affecting projects tremendously. He advised that processes such as approval from Economic Development Tourism and Environment Affairs (EDTEA) caused delays which resulted in the grant funding being returned. He also stated that the Acting City Manager had met with Cooperative Governance and Traditional Affairs (COGTA) who had requested that the Unit submit projects that had not been approved for roll-over, and they had since opened a window period for additional projects.

Responding to a concern regarding informal traders, the Deputy Municipal Manager: Sustainable Development and City Enterprises stated that this was a collaborative initiative. He advised that the city had been divided into blocks and there were demarcated areas for traders. He also mentioned that the Municipality had a data base for traders which was monitored by the Unit, and permits were renewed annually. He stated that the number of applications exceeded the available capacity, however, this would be resolved once the Emacheni issue was resolved.

In response to a concern raised on the Last Dance, the Senior Manager: City Entities advised that a comprehensive closed-out report inclusive of the breakdown of the financials was submitted to Council subsequent to each event. She outlined the expenses for the Airport and indicated that the Municipality had a contract with the Parking Management company, which stated that the company should provide the airport 7.6% of their earnings. She added that the Master Plan was currently being reviewed to attract developers and improve the airport. Furthermore, she mentioned that they were currently negotiating with CEM-AIR for a secondary airline and those negotiations were almost concluded. In terms of the Market she stated that 5% of all sales were being collected and it was running at a profit.

Responding to a concern raised on the Wire-wall projects, the Senior Manager: Human Settlement concurred with the Committee on the irregularities experienced and stated that it was beyond the Unit's control. He stated that a report regarding this would be submitted to Council in due course.

It was

RESOLVED

- (a) That the Manager: Performance Management amends the report accordingly to reflect all the activities of the Sustainable Development and City Enterprises Business Unit, particularly the Town Planning Unit as outlined by the Senior Manager: Town Planning and Environmental Management.
- (b) That the Deputy Municipal Manager: Sustainable Development and City Entities submits a comprehensive report to the next Municipal Public Accounts Committee on the Wire-wall.

6. **FURTHER APPLICATIONS FOR LEAVE**

(Raised verbally)

There were no further applications for leave.

NOTED.

The meeting terminated at 12h40

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>claudette jacobs</i>	4/04/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>[Signature]</i>	4/04/2025

MSUNDUZI LOCAL MUNICIPALITY



MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE – FINANCIAL SERVICES BUSINESS UNIT

Meeting held on **WEDNESDAY, 2 APRIL 2025** in
1ST FLOOR, COUNCIL CHAMBER at 9H00.

PRESENT: Councillors ZH Magubane (Chairperson), R Khanyile, L Mgaga, B Mkhize, TC Ngubane, R Niemand, DB Phungula, S Reddy, T Zondi, MB Zuma and S Zuma.

ABSENT: Councillor S Mncwabe (no leave application). J Ngubo (family commitment) and P Sithole (indisposed).

OFFICIALS

PRESENT: Ms N Ngcobo (Municipal Manager [Acting]), D Gambu (Head: Supply Chain Management), K Shoba (Senior Manager: Revenue), M Khubone (Manager: Budget Planning), P Ngcobo (Financial Support Services Manager: Corporate Business Unit), N Buthelezi (Financial Support Services Manager: Infrastructure Services), M Khumalo (Financial Services Support Manager: Budget & Treasury), N Makhanya (Manager: Customer Care), M Mbambo (Manager: Utilities), S Sewcharran (Committee Officer) and C Jacobs (Committee Officer). Messrs O Langa (Senior Manager: Financial Governance), S Nxumalo (Senior Manager: Expenditure), M Ntuli (Senior Manager: Assets & Liabilities), M Pillay (Manager: Rates), M Hoskins (Manager: Debtors Management), K Ngcobo (Manager: Compliance), S Vilakazi (Manager: Financial Management), B Halimana (Manager: Performance Management), H Zondi (Manager: Municipal Public Accounts Office) and S Sibisi (Translator).

ALSO

PRESENT: His Worship, the Mayor (Chairperson of the Financial Services Portfolio Committee).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present at the meeting.

Application of leave were received from Councillors JJ Ngubo who had a family commitment and P Sithole who was indisposed.

It was

RESOLVED

That Councillor JJ Ngcobo and P Sithole be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

2. DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA

(Item 2 of the agenda)

3.5 **CHAPTER 6: REPORT OF THE AUDITOR-GENERAL**

(Page 149-161 of the agenda)

The Senior Manager: Financial Governance pointed out that the Msunduzi Municipality had received a qualified audit opinion. He added that the basis for that was due to service charges on the sale of water and electricity, pertaining to incorrect adjustments processed on the financial reporting system related to the sale of electricity and water. Consequently, the sale of electricity was understated by R338,26 million and the sale of water was understated by R1 78,46 million (2022-23: R241,49 million) respectively as disclosed, which resulted on an impact on consumer debtors. He added that the sale of electricity was not accounted for as required by GRAP 9, Revenue from exchange transactions in the prior year. This was due to incorrect adjustments processed on the financial reporting system related to the sale of electricity. Subsequently, the corresponding figure for sale of electricity disclosed in note 37 to the consolidated and separate financial statements was overstated by R242,60 million, while the prior year surplus, accumulated surplus and consumer debtors were overstated by the same amount. He outlined the context of the Auditor-General's opinion in terms of material uncertainty, material impairment, material losses of water and electricity, delayed capital projects and underspending of conditional grants.

The Senior Manager: Supply Chain Management provided a brief presentation on the Annual Financial Statements and indicated that the irregular expenditure was estimated to be R14m for the 2023/24 financial year. She stated that the majority of this was from the forensic report submitted by the Internal Audit Unit in terms of the Councillors allowances where payment of R9m was identified. She stated that the contract for the Legal Panel was also responsible for the irregular expenditure that amounted to R4m. She outlined the current balances for the Msunduzi Municipality and stated that the R340m pertaining to the Special Investigations Unit (SIU) investigation for the Security contract could not be written off at this stage as guidance from National Treasury was required.

The Senior Manager: Expenditure provided a summary of the fruitless and wasteful expenditure for the 2023/24 financial year. He stated that the Auditor-General had insisted that the expenditure for Eskom and Umgeni be disclosed as fruitless and wasteful expenditure, which was unusual. He pointed out that this had not been done previously, as it was only disclosed as fruitless expenditure once expenditure had incurred. It was stated that the Municipality had a five-year payment plan arrangement with Umgeni Water and were in negotiations with ESKOM for a debt relief of R253m.

(At this stage of the proceedings Councillor S Reddy joined the meeting (9h40)).

NOTED.

3.6 **Appendix H: Long Term Contracts and Public-private partnership**

(Page 407 of the agenda)

3.7 **Appendix K: Revenue collection performance**

(Page 524-527 of the agenda)

3.13. **Appendix L: Conditional grants received: excluding MIG**

(Page 528-530 of the agenda)

3.14 **Appendix M: Capital expenditure- new & upgrade/ renewal programmes: including MIG**

(Page 531 of the agenda)

4.15 **Appendix M: Capital expenditure- new & upgrade/renewal programmes: including MIG**

(Page 531 of the agenda)

3.15 Appendix R: Declaration of loans and grants made by the Municipality

(Page 539 of the agenda)

3.16 Appendix R: Declaration of returns not made in due time under MFMA S71

(Page 539 of the agenda)

3.17 Appendix T: National and Provincial outcome for local government

(Page 539 of the agenda)

The Senior Manager: Financial Governance provided a brief explanation of Appendixes H to T in the Annual Report 2023/24. The Municipal Manager [Acting] expressed concern on the fiscal dumping received from the Department of Human Settlement. She stated that this also contributed to the qualified audit opinion the Municipality had received as the Unit was unable to spend those funds timeously due to the lengthy procedures that were required to be followed. She highlighted the reasons for the qualified audit in terms of the manual journal entries indicating that an automated revenue system was necessary to obtain an improved audit outcome, however, Treasury had requested that MSCOA be prioritized.

NOTED.

3. CONCERNS RAISED

(Raised Verbally)

- Concern was raised regarding the manual accounting system that was currently being used and it was indicated that it was previously recommended that an automated revenue system be implemented as per the Municipal Financial Management Act (MFMA), which would assist tremendously with revenue related issues. The Committee requested the Municipal Manager [Acting] to inform them of the issues they encountered in terms of procuring this system.
- Clarity was sought on the payment plan for ESKOM and Umgeni Water and whether challenges were being encountered regarding this. It was recommended that the Chief Financial Officer [Acting] submits a report to the Committee on the delay in terms of the write-offs by ESKOM and the impact it had on the quality of the audit outcome.
- Concern was raised on the low budget for repairs and maintenance for infrastructure which was 3.87%. It was believed that consideration should be taken into account for the infrastructure and non-revenue water to avoid functioning at a disadvantage; hence, it was proposed that a substantial budget be allocated for this.
- Clarity was sought on the sale of electricity and water in terms of the R336m for electricity and R178m for water which was due to the material losses, illegal connections and vandalism. It was noted that this issue had been raised previously, however, action plans had not been implemented particularly for the protection of the infrastructure in terms of vandalism.
- Concern was raised in terms of the non-collection of revenue in volatile areas and it was mentioned that previously a suggestion had been made for a joint operation to be formed, to address this issue; however, since the non-collection of revenue in those areas, it was assumed that this had failed.
- In terms of credit control, it was proposed that the Financial Services Unit be transparent as credit control and the implementation of the policies were not done in certain areas in the city and credit control was not taking place. To ensure the implementation of the Credit Control Policy, it was recommended that the Annual Report be a true reflection of which Wards credit control was not undertaken and the problems that the Unit faced regarding that. It was further emphasized that the Committee had requested that information from the Unit previously; however, it had not been provided. Clarity was sought on the negative cash flow as indicated in the report and the turn-around strategy.

- Clarity was sought on the false number of indigent declarations in the report and it was perceived that this was a criminal offense. It was felt that there was no success in this area, considering the statistics of the Msunduzi and the Department of Cooperative Governance and Traditional Affairs (COGTA) report on the number of indigent people who were 40 000 in the register.
- Concern was raised about the unauthorised, irregular, fruitless and wasteful expenditure (UIFW) reduction and it was felt that this issue was basically crime related irrespective of it being reduced.
- It was expressed that the revenue that Council collected did not equate with the revenue spent. It was cited that the amount that Council brought in versus the amount paid out was insufficient, as this would result in a continuous deficit.
- Clarity was sought in terms of the underspending of the conditional grants and the relation of the legislation to address the fiscal dumping.
- It was stressed that finance in the city was a key role and the UIFW was still significantly high irrespective of it being reduced.
- Clarity was sought on the Public-Private Partnership (PPP's) which addressed sustainable development.
- Clarity was sought on the irregular expenditure which was due to the R14m for expenditure for Councillors. It was stated that COGTA had indicated that it would be written off due to it being a human error, however, it was still reflected in the report under losses.
- It was felt that the Financial Services Business Unit was contravening financial and banking laws in terms of the Section 71 report. It was stated that this report should promote transparency and be used as a monitoring tool in the city on a monthly basis for monitoring purposes.
- The legality of the bank charges in respect to customers was questioned and it was pointed out that customers should not be charged a fee to swipe their cards when making payments. It was pointed out that this concern had been raised at the previous Oversight meeting, however, a response on the legal opinion had not been provided. It was stated that it was unlawful for the customers to be paying the cost of the Municipality.
- The System Analysis Program (SAP) billing system was questioned, and it was stated that officials incorporated the incorrect information on the system. Hence, clarity was sought on the measures taken to improve this.
- Clarity was sought on the rates for rental stock as the consumers did not understand whose responsibility it was. It was stated that there was no clear understanding or processes on this as the rates were appearing on the bill and tenants were being disconnected. It was felt that the rates was the responsibility of the landlord, not the tenant.
- It was felt that Council was violating the law in terms of the Prescribed Debt Act, which stated that debt should be written off after three years if legal action had not been taken. It was stated that after the Mayor wrote off the debt, it reappeared in the account.
- It was felt that the Municipality was disconnecting areas unfairly as only areas that normally paid were being targeted.
- The MIG funding for Human Settlements was questioned and it was stated that this should not be dumped on the Municipality as this department owed the Municipality for services (water, refuse collection and sewer charges) at the Jika Joe flats. It was proposed that the Municipality use this funding for the services provided to them.
- The reasons for the qualified audit outcome were requested and clarity was sought on whether consequence management would be taken against the management for unauthorised expenditure which contributed to the outcome.
- Clarity was sought on the delay of the capital projects and consequence management for them.
- Clarity was sought on the 40% charged on the pre-paid electricity to consumers that were in arrears and had not make arrangements. It was stated that some consumers who had made arrangements were still being charged this amount irrespectively.
- Clarity was sought on the disconnection fee that was charged to customers irrespective of them not being disconnected.

- It was stated that the Indigent Policy had been workshopped in some areas, however, a large number had not been registered as indigent due to them not having municipal accounts. It was thus proposed that the Municipality redesign their system to accommodate those residents.
- Clarity was sought on the assistance required from the Committee for the transition of the revenue system to an automated one.
- Clarity was sought on the assistance required from the Committee in terms of the fiscal dumping.

4. **RESPONSES**

In response to a concern raised regarding the ESKOM and Umgeni Water debt, the Municipal Manager [Acting] advised that the challenge was cash related which was due to the decline in collections recently. She pointed out that she had engaged with the Financial Business Unit on strategies to improve the situation as they had observed that the cash flow was worsening. She stated that the Municipality had accumulated an arrear amount for the ESKOM debt, which was unusual during this period as it usually occurred during winter when the utility charges doubled. In terms of Umgeni Water, she mentioned that the Municipality had not experienced problems meeting their arrangements; however, this had also declined recently. Hence, she had a meeting with the Financial Business Unit who had pointed out that Operation Qoqomali was experiencing challenges in terms of capacity as the Project Manager had been relocated to the Electricity Business Unit; therefore, it was necessary to ensure that an experienced person was appointed for this task. She reminded Committee of the contract that the Water Unit had in terms of the restrictions for the Edendale area and stated that they were no longer doing those since the contract had lapsed, which impacted on the collections. Consequently, the Business Unit had concluded that stricter cost-containment measures would be implemented such as the reduction of overtime, locomotion allowance, reduction of fuel and the review of contracts for the hiring of vehicles which would be implemented until the end of the financial year. She stated that the Unions had been engaged in respect to this issue and a meeting would be held with Local Labour Forum (LLF) to discuss this. Additionally, she stated that the biometric system would be implemented for the reduction of overtime which the Unions were opposed to. She mentioned that revenue collection would be recovered in terms of encroachments by businesses and notices would be issued accordingly which would assist with the payment of the ESKOM and the Umgeni Water debt. Regarding the debt relief of R253m which was reflected in the creditors book, she stated that they were still waiting for the confirmation of this from National Treasury.

Responding to a concern raised on the registration of the Indigent customers, the Manager: Debtors Management stated that the number of individuals registered on the Municipality's database was less than Statistics South Africa. Hence, a database from SASSA had been requested for this purpose which was in excess of forty thousand. He was of the view that the Municipality's one should be equivalent to this. He stated that numerous initiatives had been initiated with Councillors, however, the response that was required was inadequate. In respect to individuals without account numbers, he stated that this was a significant issue as customers in informal areas had access to electricity via pre-paid meters. He stated that applications for those consumers were currently being addressed by utilizing their identity numbers so that they could receive indigent benefits. In response to the management information, he stated that during 2013 debt had been written off, mainly deceased debtors, and the Auditor-General had raised this as a query, however, they had not responded. Additionally, he stated they had included initiatives to collect debt such as disconnections, restrictions, and legal action in their report. He mentioned that currently they were in the advanced stages of the execution of properties and the Municipality had already executed three properties for the recovery of debt.

In response to the implementation of the Credit Control Policy, the Manager: Debtors Management acknowledged that this was still in progress. He added that challenges were also experienced in terms of security when visiting volatile areas for disconnections and appealed to the Committee for support in terms of customer awareness programmes for the payment of debt. In terms of disconnection fees, he stated that the Municipality incurred a cost when they were unable to access a property for disconnection purposes; therefore, the consumer had to bear this cost.

In response to a concern raised regarding the 40% charges, when purchasing electricity through pre-paid meters, he stated that customers were not charged this amount if they adhered to their payment methods, only when they defaulted.

Responding to a concern raised on property rates for Municipal properties, the Manager: Rates explained that the Municipality did not charge property rates on those properties as it was in the Municipality's name. In terms of classifying flats as businesses, he outlined the Rates Policy regarding differential rates, stating that rates were levied based on the use of the property, permitted use of the property or combination of both. He mentioned that the property was classified as residential property if it was used for this purpose, thus, flats were classified as residential properties due to its use. Furthermore, it was pointed out that the Municipality did not have control over the way landlords billed their tenants.

Responding to the core reasons for the findings of the understatement, the Senior Manager: Revenue Enhancement advised that this was due to the journals which were incorrectly processed which resulted in the understatement as highlighted in the Auditor-General's report. Regarding the previous year's findings, she mentioned the Unit had addressed all of them, however, due to the non-automation of revenue, this finding had remained which was currently being addressed. In terms of enhancing the SAP financial system she advised of the various ways in which this was being done in terms of meter changes, tariff calculation when making adjustments, configuration of journals and Customer Relations Module.

In response to a concern raised on the non-revenue water, the Senior Manager: Revenue Enhancement mentioned that this was a major concern which should be addressed by the Water Unit. She stated that they had proposed that a group of plumbers with meter readers should be consulted to resolve this issue as they were aware of the location of the leaks. She mentioned that in certain instances where water consumption was high due to internal leaks, it would be their responsibility to fix them in terms of the Municipal By-laws; however, some did not attend to them which was a loss to the Municipality. She felt that Council should review their Policy to determine how the Municipality could assist customers and bill them accordingly. In relation to a concern on the disconnections in volatile areas, she mentioned that they had requested the Community Services Business Unit to request their Security department together with the police, to accompany them to those areas for disconnection; however, this had not materialised, which was still a challenge. Furthermore, they had suggested that the Water Unit included provisions for security when appointing the contractor for water restrictions.

The Senior Manager: Revenue Enhancement noted the comments for the inclusion of strategies for the collection rate to be included in the Annual report and undertook to include it in the next one. In terms of false declarations of the Indigent Register, she mentioned that this was currently being monitored, and it was stated this had not been a finding by the Auditor-General. Regarding the banking charges, she stated that a report had recently been submitted to the Municipal Public Accounts Committee. She outlined the report and stated it had been established that in terms of the provisions of the Reserve Bank, it was not permissible for the customer to pay this. This has since been halted and they have submitted a report to Council requesting for thresholds to be approved in terms of card payments, noting that the limit for card payments for residential was thirty thousand rand, and businesses was fifty thousand rand. She mentioned that the reason for the implementation of the bank charge fee was due to customers swiping their cards to acquire e-bucks which resulted in the Municipality paying for those charges. Hence, she stated that customers were encouraged to use other methods of payment such as EFT for the Municipality to save on costs.

The Senior Manager: Revenue Enhancement mentioned that in terms of the Credit Control Policy the account was opened in the owner's name irrespective of them having tenants and the owner was responsible for the account. She added that disconnections were done in terms of outstanding rates irrespective of services being paid. In terms of prescribed debt, she mentioned that this could not be written off especially because customers were provided with services, therefore, the Municipality had to ensure that debt was recovered. In terms of the Debt-Write off Policy, she mentioned that the Credit Control Policy should be implemented, and Council should ensure that all the strategies were exhaustively implemented to recover debt. She reported that there was a panel

of debt collectors who were assisting the Municipality with the legal processes and summonses had been issued to most of the debtors.

Regarding indigent debtors, she advised that the Policy allowed for debt-write offs which they were currently doing. She added that indigent applicants received 70kw for electricity, 6kl for water and 100% discounts in terms of sewer, refuse and the amp charge. She raised extreme concern on the restrictions for indigent customers and stated that in some cases consumption was high due to lack of control. Furthermore, she stated that the Financial Management Act (MFMA) allowed the Municipality to open accounts in the name of the owners, not the tenant, therefore it was the responsibility of the tenant to negotiate with owner to make payments or request them to consider changing the ownership of the property.

Responding to a concern raised on the advancement of the System Analyses Program (SAP) financial system the Senior Manager: Expenditure reported that the Service Provider had provided staff with proper training. In terms of the support required for the provision of an automated revenue system, he mentioned a budget was basically required for this, however, National Treasury had requested that Municipal Standard Charts of Accounts (MSCOA) be prioritized first.

In response to a concern raised on the irregular expenditure which incurred due to the overpayment of Councillors, the Senior Manager: Supply Chain Management reported that National Treasury had indicated that this should be disclosed as irregular expenditure as there were no provisions to write it off in terms of Section 167 (2) of the Municipal Financial Management Act (MFMA). She stated that not all irregularities were prevalent to fraud, crime or corruption. She explained that in terms of tenders, when the advertisement was not adhered to and other due processes were followed, it was considered as irregular expenditure because of the conditions of the advertisement. She added that a further complication was tax compliance matters. She stated that during the tender process the tenderer complied with this, however, once the appointment letter was issued, they were non-compliant which also contributed to irregular expenditure.

Regarding the water and electricity losses, the Senior Manager: Financial Governance affirmed that this was a matter of emphasis. He stated that it was the responsibility of the Infrastructure Services Business Unit to implement strategies to address this issue. He confirmed that there were meter audits taking place which were conducted by the Electricity Business Unit. In response to a concern about the collection rate, he acknowledged that 86% was inadequate and committed to improving this. He stated that the reasons for the delay in projects were reflected in the financial statements on page 679 of the Annual report which were budget related constraints, inclement weather conditions, community unrest and legal complexities.

The Manager: Expenditure expressed concern over the low budget for repairs and maintenance, which was typically 8%. He reported that the Deputy Municipal Manager: Infrastructure Services had indicated that budget of R370m was required to address this issue due to the ageing infrastructure. Regarding the write offs for indigent customers, he emphasized that the systems were not efficient as meters were not shut off automatically once the capacity of 6kl of water and 70kw for electricity was reached. Thus, he recommended that the pre-paid meters for water be supplied to indigent customers.

(At this point of the proceedings (12h05) Councillor TC Ngubane left the meeting)

Regarding the Public-Private Partnership (PPP's), the Municipal Manager [Acting] advised that an application for this needed to be submitted to National Treasury. She mentioned that this was a lengthy process which took approximately 12 to 18 months to complete and was not suitable for a short-term turnaround strategy. In terms of the assistance required from the Committee regarding the fiscal dumping, she mentioned that the political leadership needed to engage with the leadership of the government department to address this issue as it was beyond the control of the Municipality. In terms of the revenue automated system, she stressed that funding was required for this which would assist in the improved audit outcome. She advised that in terms of the findings for the Municipality the Auditor-General was currently raising old issues therefore it was essential that systems were updated adequately.

(At this point of the proceedings (11h55) the Mayor, Chairperson of the Financial Services Portfolio Committee joined the meeting)

The Committee noted the responses from the officials and recommended that the report on the bank charges be submitted to the next meeting as a matter of urgency. It was recommended that the Municipal Manager [Acting] continue to adhere to the payment arrangements for water and electricity irrespective of waiting for debt relief, and stricter cost containment measures be implemented. It was proposed that the Unit remained committed to the Revenue Enhancement Strategy by addressing areas where collection was inadequate, high water theft, metering unmetered areas such as Henley Dam and Ambleton and populate the Indigent register. It was stated that Operation Qoqomali, was an excellent initiative and should not be neglected due to capacity related issues. It was thus recommended that the program be intensified to achieve its objectives. It was further recommended that the Municipality fully transition to an automated revenue system which would resolve revenue and billing issues. Regarding the budget of 3% for repairs and maintenance, committee acknowledged that the infrastructure was aged and proposed that emphasis be placed on this issue, funding be increased and other funding models, such as the Bulk Infrastructure Grant be considered. Additionally, it was recommended that the Municipal Manager [Acting] submits a comprehensive report outlining strategies to prevent the infrastructure from vandalism and theft. In terms of the fiscal dumping, it was recommended that the Mayor engages with the provincial government entirely on this issue.

Committee sought clarity on whether the default in payment for ESKOM and Umgeni Water had taken place during the 2023/24 financial year. Clarity was sought on the Section 106 investigation that was currently being undertaken by the provincial government on the Municipality. Committee recommended that the biometrics system be implemented to curb overtime. Regarding the theft and non-payment of water and electricity it was recommended the Municipality disconnects those customers accordingly. It was recommended that the Manager: Debtors submits a report to the Committee on the breakdown on the theft of electricity per Ward. According to the unaccountable water losses, it was believed that the Municipality was not billing themselves as residents of the Manor flats were not paying for water.

Regarding a concern raised on the banking charges, it was indicated that this was still being charged to the consumers; thus, it was felt that the enforcement of the law was not implemented accordingly. It was stated that debt should not be written off as it was not in accordance with the prescribed debt and the law. It was added that the debt that was written off should not be reflected in the consumers' bills once it was written. Subsequently, it was recommended that a report to this effect be submitted to the next meeting.

The Chairperson advised that due to the Oversight meetings conducted, the ordinary meetings had not resumed, therefore, the outstanding report in terms of the bank charges would be submitted to the next regular meeting.

Responding to a concern on the default in payment for ESKOM and Umgeni, the Municipal Manager [Acting] mentioned that this had not taken place during the period under review as they were recovering payment when the equitable share was allocated. She reaffirmed that the Municipality had only defaulted with payment for Umgeni recently and could not compromise the five year agreement. However, she raised concerns on the interest that was not written off by Umgeni Water and stated that COGTA would intervene on the Municipality's behalf for this. It was stated that a report on theft of electricity per Ward would be submitted as requested. In terms of the Msunduzi Municipality billing themselves, the Municipal Manager [Acting] confirmed that this was happening, and internal write offs were conducted for non-payment by internal departments. Regarding unauthorised, irregular fruitless and wasteful expenditure (UIFW), she mentioned that the Municipality had received a resolution from Council to this effect and a write-off of R210m would be done. In terms of a concern raised on the prescribed debt, she stated that this could be interrupted by requesting a summons and the Municipality was not in a financial position to write off prescribed debt. She stated that only debt for customers on the Indigent data base could be written off.

The Mayor apologised for joining the meeting late and undertook to ensure that other Chairpersons attend Oversight meetings accordingly. In terms of the Section 106, he indicated that this was not relevant to the current meeting as findings had been implemented to the fullest extent.

Subsequent to much discussion, it was

RESOLVED

- (a) That the Senior Manager: Revenue, in consultation with the Committee Officer submits a report on the banking charges to the next Municipal Public Accounts Committee (MPAC) meeting.
- (b) That the Municipal Manager (Acting) ensures that payment arrangements to Umgeni Water and ESKOM are adhered to and implement stricter cost containment procedures in the organisation.
- (c) That the Chief Financial Officer (Acting) ensures that revenue collection for services in areas that were not being charged, are implemented accordingly and that a comprehensive report to this effect be submitted to the Municipal Public Accounts Committee (MPAC).
- (d) That the Chief financial Officer (Acting) ensures that the Credit Control Policy is implemented for disconnections and the theft of water and electricity in each Ward of the Msunduzi Municipality.
- (e) That the Chief Financial Officer (Acting) ensures that strategies for theft of water and electricity are implemented, and a comprehensive report thereto be submitted to the Municipal Public Accounts Committee (MPAC).
- (f) That the Chief Financial Officer submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the implementation of meters for unmetered areas such as Henley Dam and Ambleton.
- (g) That the Chief Financial Officer ensures that operation Qoqimali is revived for revenue collection.
- (h) That the Chief Financial Officer, in consultation with the Mayor, ensures that the Municipality is fully migrated to an automated revenue system to resolve revenue and billing issues.
- (i) That the Chief Financial Officer ensures that the budget of 3% for repairs and maintenance for infrastructure is increased and other funding models, such as the Bulk Infrastructure Grant be considered.
- (j) That the Municipal Manager (Acting) in consultation with the Deputy Municipal Manager: Infrastructure Services, submits a comprehensive report highlighting the strategies to prevent the Msunduzi Municipality's infrastructure from vandalism and theft.
- (k) That the Chief Financial Officer in consultation with the Mayor engages with National Treasury in respect to the late fiscal dumping; noting that this was one of the causes of the qualified audit outcome for the 2023/24 financial year.
- (l) That the Municipal Manager [Acting] ensures that the biometrics system is implemented in all Business Units of the Msunduzi Municipality to curb overtime.
- (m) That the Chief Financial Officer submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the theft of water and electricity for each Ward in the Msunduzi Municipality.

The meeting terminated at 13h05

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>Claudette Jacobs</i>	10/04/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>B Duze</i>	10/04/2025

MSUNDUZI LOCAL MUNICIPALITY



**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
INFRASTRUCTURE SERVICES BUSINESS UNIT**

Meeting held on **THURSDAY, 20 MARCH 2025** in
2nd FLOOR BOARDROOM, HARRY GWALA STADIUM at **9H00**.

PRESENT: Councillors ZH Magubane (Chairperson), B Mkhize, R Khanyile, L Mgaga, R Niemand, JJ Ngubo, DB Phungula, S Reddy, MB Zuma, T Zondi and S Zuma.

ABSENT: Councillors S Mncwabe (Party commitment), TC Ngubane (Doctor's appointment) and P Sithole (indisposed).

ALSO

PRESENT: Ms EM Thomson and Mr A Waldhausen (members of the public).

OFFICIALS

PRESENT: Messrs T Makhanya (Senior Manager: Project Management Unit [Acting]), H Zondi (Manager: Office of the Municipal Public Accounts Committee), N Nzimande (Chief Project Manager), D Ragoonandan (Chief Engineer: Water Services), B Sosibo (Manager: Operations) and S Sibisi (Interpreter). Mesdames L Mngenela (Senior Manager: Roads & Transportation), N Buthelezi (Advisor: Performance Management), L Miya (Financial Controller: Performance Management), A Sewcharran (Committee Officer) and C Jacobs (Committee Officer).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present.

Applications for leave were received on behalf of Councillors S Mncwabe who had a Party commitment, TC Ngubane who had a doctor's appointment and P Sithole who was indisposed.

An apology was tendered on behalf of the Deputy Municipal Manager: Infrastructure Services who had an official commitment. It was noted that the Municipal Manager [Acting] had requested him to act on her behalf and attend the Executive Committee scheduled on the same day as the Municipal Public Accounts Committee (MPAC). Committee acknowledged the apology but did not accept it due to the short notice given.

It was

RESOLVED

That Councillors S Mncwabe, TC Ngubane and P Sithole be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

2. DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee (MPAC).

NOTED.

3. **ABSENCE OF THE DEPUTY MUNICIPAL MANAGERS (ISF) AND ELECTRICITY SUPPLY SERVICES**

(Raised verbally)

The Chairperson stressed the importance of the presence of all Deputy Municipal Managers and the Chairpersons of the Portfolio Committees at the Oversight meetings. The Committee was appalled by the gross misconduct of the Deputy Municipal Manager: Infrastructure Services Business Unit and the Deputy Municipal Manager: Electricity Supply Services' non-attendance to this important meeting. They felt that those Units were not taking their responsibilities seriously and disrespected the Municipal Public Accounts Committee's (MPAC) oversight role.

The Chairperson expressed his dissatisfaction and did not accept the Deputy Municipal Manager: Infrastructure Services apology. He requested that the Manager: Office of the Municipal Public Accounts Committee (MPAC) lodged a complaint to the Municipal Manager [Acting] regarding this. Furthermore, he requested that he engaged with the Speaker to request her to instruct Chairpersons of portfolio committees to attend MPAC Oversight meetings.

In response to a concern raised regarding the absence of the Department of Cooperative Governance and Traditional Affairs (COGTA), the Manager: Municipal Public Accounts Committee mentioned that he would verify whether they had been invited or not. Regarding the absence of the Deputy Mayor, the Committee was informed that correspondence had been submitted to the Secretary of the Municipal Public Accounts (MPAC) informing her that he was away on official business.

Subsequently, the Committee recommended that the meeting be postponed and rescheduled to ensure that the entire Infrastructure Services Business Unit and Electricity Unit was present to respond to critical concerns expressed in respect to service delivery. Furthermore, it was recommended that disciplinary action be taken against both Deputy Municipal Managers and it was suggested that the Manager: Office of the Municipal Public Accounts Committee (MPAC) informs the Municipal Manager [Acting] and the Speaker of the concerns raised at the current meeting.

It was

RESOLVED

- (a) That the Manager: Municipal Public Accounts (MPAC) submits a complaint to the Municipal Manager [Acting] regarding the absence of the Deputy Municipal Managers: Infrastructure Services and Electricity Supply Services and request that disciplinary action be taken against them for their non-attendance at the MPAC Oversight meeting to represent their Business Units.
- (b) That the Manager: Municipal Public Accounts (MPAC) liaises with the Speaker requesting her to advise all Chairpersons of portfolio committees to attend the MPAC Oversight meetings.
- (c) That the Municipal Public Accounts (MPAC) Oversight Committee for Infrastructure Services be rescheduled and the Committee Officer, in consultation with the Office of MPAC advise members of the details of the meeting.

The meeting terminated at 10h:20

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>claudette jacobs</i>	27/03/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>B Duze</i>	27/03/2025

MSUNDUZI LOCAL MUNICIPALITY



**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
INFRASTRUCTURE SERVICES BUSINESS UNIT**

Meeting held on **THURSDAY, 3 APRIL 2025** in
1ST FLOOR, COUNCIL CHAMBER at 14H00.

PRESENT: Councillors ZH Magubane (Chairperson), B Mkhize, L Mgaga, TC Ngubane, JJ Ngubo, DB Phungula, S Reddy, MB Zuma, T Zondi, MB Zuma and S Zuma.

ALSO

PRESENT: The Deputy Mayor, Councillor MA Mkhize (Chairperson: Infrastructure Services Portfolio Committee).

ABSENT: Councillors S Mncwabe (indisposed), R Niemand (apology) and P Sithole (indisposed).

OFFICIALS

PRESENT: Messrs S Hlela (Deputy Municipal Manager: Infrastructure Services [Acting]), S Mchunu (Deputy Municipal Manager: Electricity), M Ntombela (Senior Manager: Electricity Supply Services), W Shozi (Chief Engineer: Operations Maintenance), D Ragoonandan (Chief Engineer: Water Services), T Madlala (Chief Engineer: Electricity Supply Services), B Khanyile (Chief Engineer), V Poona (Chief Engineer), R Mbilini (Senior Engineer: Transportation Planning), N Nzimande (Chief Project Manager), V Maharaj (Manager: Planning & Design), G Nobaza (Human Resources Manager: Support Services Infrastructure), B Halimana (Manager: Performance Management), H Zondi (Manager: Office of the Municipal Public Accounts Committee), B Sosibo (Manager: Operations) and S Sibisi (Interpreter). Mesdames L Mngenela (Senior Manager: Roads & Transportation), F Mota (Senior Engineer: Water Services), N Nzimande (Chief Project Manager: Performance Management), A Sewcharan (Committee Officer) and C Jacobs (Committee Officer).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present.

Applications for leave were received from Councillors S Mncwabe and P Sithole who were indisposed. Councillors JJ Ngubo and the Deputy Mayor requested to leave the meeting at 15h00 to attend to official commitments.

The Chairperson welcomed the Chairperson of the Infrastructure Services Portfolio Committee (Councillor MT Mkhize) to the current meeting.

The Deputy Municipal Manager: Infrastructure Services, the Deputy Municipal Manager: Electricity Supply Services and the Chairperson of the Infrastructure Services Portfolio Committee apologised for their absence at the previous meeting due to official commitments.

It was

RESOLVED

That Councillors S Mncwabe, P Sithole and R Niemand be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

2. **DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA**

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee (MPAC).

NOTED.

3. **CHAPTER 6: AUDITOR-GENERAL AUDIT FINDINGS**

(Page 150 of the agenda)

The Deputy Municipal Manager: Infrastructure Services highlighted the Service Delivery Budget and Implementation Plan (SDBIP) and provided a brief synopsis of the Business Units. He outlined the Auditor-General's report in terms of the material losses and stated that as disclosed in note 69 of the consolidated and separate financial statements, the Municipality incurred material electricity losses of R695,28 million (2022-23: R554,03 million) which represented 19% (2022-23: 24%) of total electricity purchased. He stated that this was mainly due to illegal connections, infrastructure vandalism, metering inaccuracies, unmetered energy as well as ageing infrastructure that resulted in increased power dissipation during transmission, distribution on lines, cables and transformers in the system and overloading. He mentioned that as disclosed in note 69 of the consolidated and separate financial statements, the Municipality incurred material water losses of R1 53,87 million (2022-23: R1 15,09 million) which represented 22% (2022-23: 29%) of total water purchased, which was mainly due to weakened water infrastructure and more frequent burst pipes.

NOTED.

4. **COMPONENT A: WATER SERVICES**

(Page 150 of the agenda)

The Deputy Municipal Manager: Infrastructure Services indicated that recent legislation included the Water Services Act 1997 and the General Enabling Act 2005 and was inexplicably tied up to the Water Service Sector Interventions Municipal Strategic Self-Assessment (MuSSA) and its core vulnerabilities and Municipal Priority Action Plan (MPAP). Subsequently, he outlined the steps to be addressed and the top areas of vulnerability of concern of the Department which was according to the latest MuSSA report. He stated that Water Planning and information Management Programs ensured that South African Water resources were protected, used diligently, conserved and managed and controlled in a sustainable manner for the benefit of all communities. He stated that it was essential that the integrity of water ecosystems was safeguarded and stated that this was where the Water Master Plan was of paramount importance.

NOTED.

5. **COMPONENT B: ROADS & TRANSPORTATION**

(Page 585 to 589 of the agenda)

The Senior Manager: Roads and Transportation briefed the Committee on the various activities that were undertaken by the Unit during the 2023/2024 financial year. She reported on the achievements regarding day-to-day road maintenance and drainage infrastructure. She advised that based on the Road Asset Management Plan that was developed in 2015 the road network of Msunduzi Municipality consisted of 1203.5km of paved roads, 36.5 km of unpaved gravel roads, 335 km of track, earth roads and unimproved footpaths. She mentioned that the Roads Section continued to address the backlog of gravel roads.

She added that the Roads Section had completed its 5-Year Road Asset Management Plan (RAMP) and a Pavement Management System (PMS) to drive the Municipality's preventative/maintenance for five years.

The Senior Manager: Roads and Transportation mentioned that the department continued with its program of re-gravelling, maintenance of gravel roads and upgrading of gravel roads to all weather surfaces with a vision of reducing the high backlog of unsafe roads within the city. She added that funds were slowly being made available by the Municipality towards the rehabilitation program.

The Senior Manager: Roads and Transportation pointed out that the transportation Section continued to address the backlog of the installation of Traffic Calming measures, guardrails and bus shelters, Maintenance of Traffic Signals, Road Marking and Signage installation to improve safety in the Municipal Road Network. She stated that the Storm Water division was primarily responsible for the maintenance and construction of storm water infrastructure within the Msunduzi Municipality. She indicated that the Municipality had constructed 5.384km of storm water channel in various roads in the Greater Edendale and pointed out that maintaining the stormwater infrastructure was important to ensure that properties and roads in particular were not damaged due to un-drained run-off causing traffic delays inconveniences and minimizing danger to vehicles and people. She outlined the main challenges encountered by the Unit, including insufficient funding, which were as follows:

- illegal dumping of refuse in storm water outlets/inlets, open channels and manholes
- damages to infrastructure e.g broken manhole lids, kerb inlets damaged by vehicles
- ill-informed community on the importance of storm water infrastructure
- theft of manhole covers

The Deputy Municipal Manager: Infrastructure Services provided a brief synopsis of the Mechanical Workshops stating that the Mechanical Workshop was a sub-unit of the Infrastructure Services Unit. He mentioned that the Manager Mechanical Workshops reported directly to the Deputy Municipal Manager Infrastructure Services. He stated that the Mechanical Workshops was responsible for the repair and maintenance of Council vehicles and plant. He added that the mechanical workshops Section was a support Unit for the maintenance/ servicing and repair of the entire municipal fleet which consisted of trailers, passenger sedans, light commercial vehicles, minibuses, heavy goods vehicles and "yellow plant". Furthermore, he stated that the section was responsible for utilizing the capital budget requirements for the replacement of existing fleet as well as new procurement as per end-user requirements on an annual basis (financial year). He added that Business units were responsible for the daily operation, management and control of their respective fleets that had been allocated to them.

NOTED.

6. COMPONENT K: ELECTRICITY SUPPLY SERVICES

(Page 592 of the agenda)

The Deputy Municipal Manager: Electricity Supply Services highlighted the Service Delivery Budget and Implementation Plan (SDBIP) and gave a brief overview of the activities in the Electricity Supply Services Business Unit. He reported on the serious challenges relating to the high vacancy rate which resulted in high overtime rates, vandalism of infrastructure, high electricity losses due to tampering and illegal connections. He highlighted the projects undertaken by the Electricity Department in the 23/24 financial year to alleviate the poor and old Infrastructure and the backlogs of electricity connection and mentioned that all this was undertaken whilst navigating the shortage of staff, electricity billing issues, ESKOM debt and establishing good governance within the Municipality and stakeholders.

The Deputy Municipal Manager: Electricity Supply Services indicated that the provision of electricity to households was provided by means of customer applications including project related connections. He added that those were provided in rural and informal settlement areas including formal areas.

He mentioned that during the 2023/2024 financial year the Municipality received Grant funding from the Department of Mineral Resources and Energy (DMRE) for electrification of approved rural, low costs and informal settlement areas and a total of 871 new household connections were achieved in Sweetwater's/Phayiphini, SWAPO, Thembalihle and Thamboville areas. Moreover, he added that the installation and commissioning of 20 x High Masts Lights in various Wards of Imbali and Vulindlela areas were completed as part of public lighting improvement with a total cost of nine million rand (R9m).

NOTED.

7. CONCERNS RAISED AND ADDRESSED

(Raised verbally)

It was indicated that the Annual Report was basically a copy and paste from the previous financial year. It was pointed out that it was necessary for the structure and the template to be amended the following financial year to avoid a duplication of the report. The committee was referred to the Auditor-General's report where clarity was sought on material losses, unaccountable water losses and electricity and it was requested that a breakdown report on the theft of electricity for each Ward be submitted to the Committee. In terms of the underspending of conditional grants, it was believed that this Unit was fundamental to the organization in terms of the construction of roads, repairs etc, hence, clarity was sought on the reasons for the underspending. Clarity was further sought regarding a project for the construction of a road in Vulindlela that Council had previously approved, which was still incomplete.

Concerns were raised regarding the budgeting for the storm water drains and it was indicated that the aged storm-water drainage was unkempt and collapsing which caused a backlog in terms of sewage flowing through the mainline. It was mentioned that most of the Wards were experiencing challenges regarding sewage. It was stated that the acquisition of jet trucks was vital for this purpose, however, Council did not purchase them; thus, it was proposed that this be significantly prioritized and budgeted for. It was also recommended that the tools of trade and fleet be prioritized and budgeted for to ensure that services were provided. Considering the storm-water lids, Committee was reminded of a resolution taken previously, whereby it had been recommended that they be replaced with strong plastic ones, which had not been done, as there was no evidence of such. The upgrades to major substations and the reservoirs were queried and it was mentioned that although a budget for the repairs and maintenance had been submitted twice to the Committee, the upgrades to the Murray Road reservoir only took place recently after water had been disconnected, which was a result of poor planning. The vacancy rate on scarce skills was queried and it was stated that the Organogram presented by the Corporate Services Business Unit was blank after the Senior Manager's post. Clarity was sought on the acquisition of an application program (app) for the Municipality which would inform residents of the situation during outages of electricity and water. It was mentioned that the city of Johannesburg and eThekweni had this app which was functioning optimally.

(At this point the proceedings (15h00) the Deputy Chairperson and Councillor JJ Ngubo left the meeting)

It was indicated that the Municipality was a water services authority and one of the conditions of service was for the provision of clean water with blue drop status, access to water to every household and a Water Safety Development Plan in terms of the reduction of non-revenue water. The committee was reminded of the discussions held at the recent Financial Services meeting where it was indicated that the budget was insufficient for the maintenance of infrastructure, which was 3.8%. Consequently, it was believed that this budget was also insufficient for the access of water to every resident and to curb non-revenue water. It was pointed out that Council mostly depended on the grant funding for the maintenance of infrastructure, however, consideration should be taken of the ageing infrastructure which cannot sustain the city without sufficient funding. It was added that cognizance should also be taken of the number of leaks, blockages and burst pipes in terms of the sewer line. Clarity was sought on the Water Services Development Plan in terms of a strategy that would provide the assistance regarding those challenges, and it was recommended that the Unit investigate alternative funding modules to address this.

It was requested that a detailed report regarding the vacancies should be included in the Annual report in order for the Committee to provide the required assistance. The storm water drainage was questioned, and it was indicated that this was a challenge in terms of climate change due to extreme weather conditions related to storms and the construction of new developments. Consequently, it was stated that the infrastructure was compromised, storm water drains were overflowing, the infrastructure was damaged, new developments were connecting their water illegally which led to a disaster, and the drainage system was non-existent in developments such as Ambleton. It was thus recommended that a comprehensive report be submitted to the Committee highlighting the challenges the Unit encountered, a strategy to address illegal connections and the allocated budget to manage them.

Clarity was sought on the scope of project for the installation or replacement of domestic pipes and standpipes within the Municipality in terms of the number of households that were connected and the location of those standpipes. The project regarding the construction of approximately 2.5km of DN 160 sewer pipeline and rehabilitation was queried in terms of the time lapse and the expectant time of completion of it. Clarity was sought on the status of the appointment of a contractor for the construction of the Ncwadi bulk water pipeline and associated works in Ward 39, Vulindlela – phase 1 and whether the residents had benefitted from this project. Clarity was sought on the hiring of high-pressure jetting machines for surveying sewer pipes and it was recommended that the Municipality procured their own rather than hiring them to save on costs. Committee was referred to the project for the construction of the Phase 1 road in the Edendale and Ashdown areas where the status of the project was queried.

Committee was referred to the Organogram where clarity was sought on the scarce skills in terms of the vacant posts. The theft of water, electricity and vandalism of the infrastructure was queried and strategies to address them was requested. Clarity was sought on the project in Ward 40 for the tarring of the gravel road. It was mentioned that the report reflected that it was completed, however, it was alleged that this was incorrect as it was still gravel. Clarity was further sought on the status of the project in Willowfontein. The status of the upgrading of the electricity sub-stations in Eastwood, was queried after the approval of additional of R15m by Council. It was mentioned that this project was initiated to release pressure from the Northdale sub-station. Additionally, it was proposed that security be provided at that sub-station to prevent vandalism of this infrastructure. The challenges regarding storm water drainage were emphasised and it was stated that waste was not removed once it was cleaned, which became a wasteless activity, as the debris was returned to the drains after it rained. Clarity was sought on the timeframe of cleaning the driveways and road surfaces after repairing a burst pipe or electricity cables.

Concern was raised on the non-provision of water in Vulindlela and it was stated that this issue was previously raised, however, it had not been addressed, hence residents were required to obtain water from harmful streams. Clarity was sought on the gravel roads in the area, and it was mentioned that the quarry was washed away due to the absence of drainage.

Clarity was sought on the vacancy rate in the Unit and the pipe that was damaged in Ward 41 by floods which occurred in 2022/2023. The budget for roads were queried and it was stated that irrespective of a budget allocated, there was no improvement in the construction of roads. Clarity was sought regarding the number of Wards that had been allocated the 20 high masts. The status of the Moses Mabhida Road was questioned, and it was stated that the contract for this project had expired. Committee was referred to page 588 of the report where the primary responsibilities were questioned and it was stated that this should be reflected in the report as the indicators, which would point out the number of stormwater drains that would be unblocked and the missing manhole covers that would be replaced, for the financial year. Taking into consideration the magnitude of the city it was assumed that the construction of the 5.384km of storm water channel in various roads in the Greater Edendale and the Vulindlela area was insufficient, considering the challenges in that area and the climate change. Hence, clarity was sought on the reasons for this minor construction. The Auditor-General's findings regarding material losses for water and electricity were questioned and it was noted that large amounts of money were wasted. Thus, clarity was sought regarding a strategy for the improvement of those findings. Clarity was sought regarding the alteration made by the Unit in respect to the repairs of the traffic lights. It was stated that due to the number of non-functional traffic lights it would have been appreciated for 100% of them to be repaired rather than 12%.

Committee was referred to Point 35 of the Auditor-General's report and clarity was sought on the non-achievement of the target of 5.5km for gravel roads, sewer pipelines and the maintenance of gravel roads. Hence, it was requested that the Unit submits proposals to improve on this issue in the next financial year.

Responding to a concern raised on the vacancy rate, the Deputy Municipal Manager: Infrastructure Services provided a breakdown of each Unit and stated that the Unit was supposed to have 1040 employees, however, only 607 posts were filled. He mentioned that posts that were advertised in 2022/23 remained unfilled which caused a backlog. He also stated that the Unit should consider the manner in which it was restructured in terms of human resources. He believed that the Unit should conduct its own interviews, shortlisting and appointments to avoid delays. He emphasised that the Unit should also consider the 55% vacancy rate as a means of reducing it and speeding up the filling of them as the overtime was increasing rapidly. He pointed out that the Unit could not operate efficiently with a vacancy rate of 49%.

Regarding the material losses, the Deputy Municipal Manager: Infrastructure Services stated that the Unit had submitted a five-year Non-Revenue Master Plan to Council to address strategies for water losses. Additionally, he stated that this had been approved by Council and would be submitted to the Department of Water and Sanitation for funding. In terms of the ageing infrastructure he stated that repairs in Northdale had begun, which was insufficient with Council funding, thus, they were requesting additional funding of R500m to address infrastructure. He outlined the strategies to address the Water Services Development Plan and stated that Council needed to invest on the current old infrastructure that was collapsing. Additionally, he stated that Private Public Partnership (PPP's) could not be considered for infrastructure and Council needed to consider various modes of funding to address this issue.

In terms of the overflowing of sewer lines, the Deputy Municipal Manager: Infrastructure Services pointed out that this was a challenge as residents built on the existing infrastructure. He asserted to the fact that social intervention was necessary to inform residents not to compromise Council's infrastructure. He stated that collaboration was required with other Business Units for the enforcement of the By-laws. Regarding a concern raised in Ward 21, he indicated that this project was complete for sewer reticulation which was funded by Municipal Infrastructure Grant (MIG). In respect to non-revenue water, he mentioned that it was necessary to alter the mindsets of consumers by educating them on the wastage of water. Thus, he emphasized that Council should ensure that every Ward was paying for water to curb water losses.

The Deputy Municipal Manager: Infrastructure Services confirmed that Makhathini road in Willowfontein would be completed in 2025/26. Regarding the Vulindlela area of water supply, he stated that this scheme was designed during 1996, hence, it was unable to provide unlimited access to water supply. He also stated that the funding for a project to deal with bulk water supply in that area had been approved; hence, Phase 1 would be completed in June 2025 and Phase 2 would be completed in July 2026. Additionally, he mentioned that the area was currently being provided with water tankers to assist them in accessing water. In terms of the pipe that was washed away by the floods in 2022, he indicated that this issue was being addressed accordingly, and they were waiting for material to commence with the project.

In response to a concern raised regarding the bulk water pipeline, it was mentioned that the project commenced in October 2023 which was for approximately 7km of pipeline and the anticipated timeframe was the end of April 2025. The Senior Engineer informed Committee of the developments regarding this and stated that they were currently struggling to fill the reservoir that was constructed in 2018. She provided the background information regarding the total length of pipeline, which was 24km, however, she stated that they had only received funding from Municipal Infrastructure Grant (MIG) for 7km of the pipeline which they had installed. Additionally, she mentioned that an application for funding was being processed for the construction of the balance of the 18km of pipeline and as such the residents would not be serviced immediately from the 7km of pipeline. In terms of Ward 21, she stated that the project had been completed in October 2024.

The Senior Manager: Roads & Transportation mentioned that they were awaiting the audit outcome for the construction of the road in Ward 40. Responding to a concern on the purchase of jetting machines for roads and drainage, she confirmed that Council was currently in the process of purchasing them. Regarding the replacement of storm water covers, she indicated that they had advertised for potential suppliers, however, they had not received a response, therefore they were re-advertising. In terms of the non-removal of debris after cleaning the storm water drains, she advised that this issue was currently being addressed with their teams. She stated that the re-instatement of the road, after repairing a burst pipe or electricity, was an internal issue due to certain processes that was required to be followed, however, this was currently being addressed. Regarding the gravel roads which were not outlined in the report, she undertook to include them in the next Annual Report. In response to a concern raised regarding stormwater functions, she stated that they were indicated on the Service Development Budget and Implementation Plan (SDBIP) and some were on the monthly report, thus, she undertook to also include them in the next Annual Report. Moreover, she concurred with the concerns raised by the Committee regarding the stormwater and stated that new stormwater would be addressed once funding was allocated. Responding to a concern expressed regarding traffic signals she confirmed that major traffic signals which were not working had been replaced. She stated that they normally reported on faults in their monthly report, and they were attended to daily depending on the nature of them. Regarding the targets that were not met for the gravel road upgrade in Ward 4, she stated that the project was supposed to be completed by the end of June 2024, however, it was only completed in July 2024 which led to the shortage. She mentioned that they only had one person attending to the maintenance of gravel roads and they were in the process of appointing another one.

Regarding the concern raised in terms of the missing manholes, the Manager: Operations requested assistance on this ongoing issue which was due to the vandalism of the infrastructure. He mentioned that the covers were replaced with concrete ones and were vandalised thereafter. He indicated that the Unit would address the root cause to safeguard the infrastructure. With regards to the traffic signals, it was indicated that the Unit was encountering challenges. It was stated that the Unit planned to fix 100% of them but they were experiencing challenges in terms of vandalism of the assets. It was added that the budget that had been allocated for traffic signals was exhausted therefore assistance had been requested from other Units.

The Senior Manager: Electricity Supply Services stated that the electricity losses were a social economic factor due to the theft and vandalism of infrastructure. He indicated that the Unit did not have the authority to determine the cause of the vandalism. Regarding the vacancies, he mentioned that as at the end of quarter two the Unit had 784 posts, the occupied positions were 34.5% and 513 positions were vacant as at the end of December 2024.

The Deputy Municipal Manager: Electricity indicated that electricity losses were R695m for the 2023/24 financial year. He outlined the challenges encountered in terms of the vacancy rate and stated that only 6% of the vacancies were filled in the Electricity Unit. Additionally, he stated that electricity was the primary source of income for the Municipality, which was 43%, whilst the Unit had the least number of occupied positions. Moreover, he mentioned that the vacancy rate for the Unit was 68% which was the highest in the Organization. He added that 500 positions in the Electricity Unit were vacant, there were 114 funded positions as at the end of February 2024 of which 46 were skilled personnel, 26 were service skilled and 38 were general workers. He stated that climate change was adversely affecting the ageing infrastructure. He emphasized that the Municipality had a challenge in terms of the ageing infrastructure which had not been replaced for the past 25 years. He explained that a further challenge was the high number of informal settlements that were illegally connecting electricity themselves. He stated that upon disconnecting them, they normally reconnected themselves, which was a serious issue. He mentioned that the rampant theft of electricity existed amongst all customer categories, not only pre-paid customers. He stated that the strategy that they were currently implementing was to target the bulk customers first, which was less effort. He mentioned that electricity infrastructure was extremely under-funded, which resulted in them not attending to urgent issues such as vandalism. He outlined the strategy that they were currently using in terms of the 800 users which contributed to 55% of the revenue, small power users which contributed to 10 - 20% of the revenue and other users which contributed to 80% of the revenue within the next three years.

He indicated that a comprehensive report to this effect which would include the timelines, income and budget would be submitted to the Committee in due course.

The Chief Engineer: Electricity Supply Services indicated that the 2 projects referred to in Mayors Walk and Sweetwaters were successfully implemented with funding from the Integrated National Electrification Program (INEP), which was a program under the Department of Human Resources and Energy. Regarding the Eastwood sub-station, he mentioned that this was 99% complete with the intention of reaching 100% by the end of June 2025. He stated that they were currently completing the communication with ESKOM as the sub-station was connected to the network that would eventually affect the source, which was ESKOM. He mentioned that the reason for the vandalism of the sub-station was due to the depletion of the budget to commission the sub-station fully, which provided an opportunity for this. Regarding the allocation of the 20 high mast, he stated that Wards 1 to 16 received one high mast each, Ward 39 three and Ward 40 one. He pointed out that the R9m was the total budget for the installation of the 20 high masts.

It was proposed that a site inspection be conducted on the projects mentioned at the current meeting and a progress report be submitted to the next meeting. It was further proposed that collaboration be done with the Human Resources Unit in terms of the high vacancy rate which was extremely concerning. In terms of the traffic lights, it was indicated that this was a challenge in terms of security and enforcement in the city. Regarding scarce skills, it was indicated that the advertisement was not diverse enough as it did not attract people with skills. In terms of the unaccountable water losses, it was stated that previously Council had a Leak Detection Program which was a guideline for the conservation of water. It was added that Council did not bill themselves as the water at Manor Flats and the rental stock at Jika Joe was free. Regarding the theft of the manhole covers, it was proposed that the Unit consults Safe City and Private Public Partnerships to address this issue.

It was recommended that a comprehensive report be submitted to the Committee regarding the number of storm water drains that were blocked and strategies to address blockages. Regarding the Vulindlela area, it was recommended that a detailed report be submitted to the Committee regarding the availability of boreholes and whether they were functional, noting that urgent intervention was necessary in that area. In terms of the vacancy rate, Committee was reminded of the recommendations taken with the Corporate Services Business Unit and it was proposed that collaboration between the two Units take place. Regarding the infrastructure upgrade, it was recommended that Council prioritize infrastructure improvement, and the Business Unit should provide guidance in terms of the key focus areas, cost, timeframes and the potential funding model to include it in the Water Services Development Plan. The purchase of the jetting machines was commended, and it was further proposed that the Unit invests in high pressure cleaners and honeysuckers for sanitation purposes. Committee recommended that a comprehensive report, inclusive of the strategies to address the ageing infrastructure be submitted to the next meeting. Regarding illegal connections, it was recommended that a report in terms of the unmetered households and metered household be submitted to the Committee. Consequently, it was proposed that the Unit thoroughly considers the theft of electricity and remove transformers in areas where theft was high.

The Deputy Municipal Manager: Infrastructure Services indicated that a report on the Water Services Development Plan would be submitted to the Committee in due course and would address most of the concerns raised. It was also noted that a comprehensive report on the electricity losses and the strategies to deal with theft of electricity would be submitted to the Committee soon.

Subsequent to much discussion, it was

RESOLVED

- (a) That the Deputy Municipal Manager: Infrastructure in consultation with the Human Resources' Unit addresses the high vacancy rate in the Unit and submits a report thereto to the next meeting of the Municipal Public Accounts Committee.

- (b) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the number of storm water drains that were blocked and strategies to address blockages.
- (c) That the Deputy Municipal Manager: Infrastructure Services submits a detailed report to the Municipal Public Accounts Committee (MPAC) regarding the status of the boreholes in the Vulindlela area.
- (d) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the infrastructure upgrade, in terms of the key focus areas, cost, timeframes and potential funding model for inclusion on the Water Services Development Plan.
- (e) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the ageing infrastructure, inclusive of the strategies to address them.
- (f) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the number of unmetered households and metered households in the Msunduzi Municipality.
- (g) That the Deputy Municipal Manager: Infrastructure Services ensures that the transformers are removed in areas where the theft of electricity is high.
- (h) That the Deputy Municipal Manager: Infrastructure Services submits a comprehensive report to the Municipal Public Accounts Committee on the Water Services Development Plan.
- (i) That the Deputy Municipal Manager: Electricity Supply Services submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) regarding the electricity losses and the strategies to address the theft of electricity.
- (j) That the Municipal Public Accounts Committee (MPAC) conducts onsite inspections on the completed projects outlined by the Infrastructure Services Business Unit and the Electricity Services Supply Unit at the current meeting.

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	Ms. C Jacobs	Committee Officer	<i>Claudette Jacobs</i>	11/04/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>B Duze</i>	11/04/2025

MSUNDUZI LOCAL MUNICIPALITY



**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
CORPORATE BUSINESS UNIT**

Meeting held on **WEDNESDAY, 9 APRIL 2025** in
1ST FLOOR, COUNCIL CHAMBER, CITY HALL at 9H00.

PRESENT: Councillors ZH Magubane (Chairperson), R Khanyile, S Mncwabe, R Niemand, TC Ngubane, JJ Ngubo, S Reddy, P Sithole, MB Zuma, T Zondi and S Zuma.

ABSENT: Councillors L Mgaga (family commitment), B Mkhize (apology) and DB Phungula (party commitment).

OFFICIALS

PRESENT: Messrs PJ Mahlaba (Chief Executive Audit), I Chetty (Senior Manager: Strategic Planning), W Mhlongo (Senior Manager: Waste Management), S Zondi (Senior Manager: Political Service Office), B Halimana (Manager: Performance Management), S Khanyile (Manager: Risk Management), H Zondi (Manager: Office of the Municipal Public Accounts Committee), N Ntshangase (Manager: Royalty), LL Madlala (Manager: Speakers Office), S Gasa (Human Resource Officer: Corporate Business Unit), Mesdames M Wankra (Senior Manager: Office of the Municipal Manager), D Reddy (Economist), N Mkhize (Manager: Communications), N Nyembezi (Principal Translator), S Sewcharran (Committee Officer) and C Jacobs (Committee Officer).

1. WELCOME AND APPLICATIONS FOR LEAVE

(Item 1 of the agenda)

The Chairperson welcomed all present at the meeting.

Applications for leave were received from Councillors L Mgaga who had family commitment, B Mkhize and DB Phungula who had Party commitments.

An apology was received on behalf of the Municipal Manager (Acting) and the mayor who had official commitments.

It was

RESOLVED

That Councillors L Mgaga, B Mkhize and DB Phungula be granted leave of absence from the current meeting of the Municipal Public Accounts Committee (MPAC).

2. DECLARATION OF PECUNIARY AND OTHER INTEREST ON ITEMS ON THE AGENDA

(Item 2 of the agenda)

The members of the Committee did not have any pecuniary and other interest on the items on the current agenda of the Municipal Public Accounts Committee.

NOTED.

3. OFFICE OF THE MAYOR

3.1 Component A: Mayors Foreword and

(Page 6-7 of the agenda)

The Senior Manager: Office of the Municipal Manager's stated that emanating from the city's vision 2040 which placed Msunduzi Municipality at the centre of a safe, vibrant, sustainable, and smart metropolis, the Msunduzi Municipality continued to seek clearly articulated City Development Strategy (CDS). She mentioned that Operation Qoqimali continued to assist the Revenue Management Unit and Msunduzi Municipality as a whole, this program assisted the revenue collection and enhancement of the Municipality and would be an ongoing program by the Municipality in relation to financial viability.

NOTED.

3.2 Component B: Executive Summary

(Page 8 - 10 of the agenda)

The Senior Manager: Office of the Municipal Manager stated that the vision of the city was to create a safe, vibrant, sustainable and smart metropolis by 2040. She added that the Msunduzi Municipality was committed to developing an economic future that was inclusive, diversified and competitive. She indicated that to successfully realise this goal, a strategic approach was required that identified and nurtured the very best growth opportunities. She stated that proper strategic planning and integrated environmental thinking were also imperative to enable and empower Msunduzi and its surrounds to cope with the demands of future growth and to ensure that all citizens share in the city's prosperity.

The Senior Manager: Office of the Municipal Manager indicated that the city had made great strides by partnering with Eskom and the Development Bank of South Africa (DBSA) to institute initiatives to improve service delivery imperatives. She stated that the DBSA had approved funding for meter audits within the city which will largely contribute to increasing the revenue collection rate.

NOTED.

3.3 CHAPTER 2: GOVERNANCE

3.4 Component A: Governance Structures

(Page 11 of the agenda)

The Senior Manager: Office of the Municipal Manager indicated that the Political & administrative governance at Msunduzi Municipality comprised of the Councillors and Senior Managers, respectively, and they worked together on a day-to-day basis to achieve identified service delivery goals and targets. She stated that the Msunduzi Municipality had several political structures which included Full Council, the Executive Committee, other Council committees and Committees established to support the Executive Committee. She advised that the Speaker was the head of Council, whilst the Executive Committee was chaired by the mayor. Furthermore, she stated that the Msunduzi Municipality also had the office of the Chief Whip. She mentioned that the following Portfolio Committees had been established and were aligned to the Municipality's organizational structure:

- Corporate Services Portfolio Committee.
- Infrastructure Services Portfolio Committee.
- Sustainable Development and City Enterprises Portfolio Committee.
- Community Services Portfolio Committee; and
- Financial Services Portfolio Committee.

She mentioned that the Municipal Public Accounts Committee (MPAC) was a committee of Council which oversaw the expenditure of public funds on behalf of Council and thereby ensured accountability of both the Executive Committee and administration.

NOTED.

3.5 Intergovernmental relations

(Page 16 – 17 of the agenda)

The Senior Manager: Municipal Manager's Office stated that the Msunduzi Municipality had an Intergovernmental relations function that was responsible for promoting and facilitating effective and efficient intergovernmental relations between the National, Provincial, and local governments. She indicated that the Municipality participated in structures that had been established to ensure cooperative governance towards fast tracking integrated service delivery. Furthermore, she mentioned that the Intergovernmental relations function provided support to the Mayor and the Municipal Manager through facilitating inter-sphere and intersectoral intergovernmental cooperation. She stated that the Provincial intergovernmental structures included SALGA, MUNIMEC, Technical MUNIMEC, Premier's Coordinating Forum (PCF), and the Local Government Communicators Forum. She outlined the structures that the Msunduzi Municipality participated in and stated that Municipalities were coordinated at District Level through the District Development Model.

NOTED.

3.6 Component C: Public Accountability & Participation

(Page 18 of the agenda)

Committee members were advised that public participation meetings (Izimbizos) were held by the Municipality for each zone. Moreover, it was mentioned that some of the concerns raised by the community members included unemployment, water delivery, road repairs, sanitation services, youth programmes, crime, potholes, housing, installation and restoration of streetlights as well as urban decay.

NOTED.

3.7 Component D: Corporate Governance

(Page 21 of the agenda)

It was indicated that the risk management activity derived its mandate from the Section 62 (1) (c) (i) of the Municipal Financial Management Act, Act 56 of 2003 (MFMA), which called for the Accounting Officer to take all reasonable steps to ensure that the Municipality had and maintained effective, efficient, and transparent systems of financial, risk management and internal control.

The Senior Manager: Office of the Municipal Manager stated that forensic investigations was an in-depth, meticulous process, systematic gathering and analysis of all documents, transactions, systems, relevant legislation, policies and other objects, searching for the truth using specialized skills and expert knowledge and the application of scientific investigation methods and techniques, to lawfully discover, collect, prepare, identify and present evidence which can be presented to a court of law, disciplinary proceedings / tribunal set up by an organization. She pointed out that the primary purpose was finding a positive solution to a crime or offence or transgression or irregular conduct.

NOTED.

3.8 Appendix D: Functions of Municipality/Entity

(Page 177 – 194 of the agenda)

3.9 Appendix E: Ward Reporting

(Page 195 - 295 of the agenda)

3.10 Appendix F: Ward Information

(Page 296– 307 of the agenda)

3.11 Appendix G: Recommendations of the Municipal Audit Committee

(Page 308 – 406 of the agenda)

3.12 Appendix J: Disclosure of financial interest

(Page 518- 523 of the agenda)

3.13 National and Provincial outcomes of National Government

(Page 540- 603 of the agenda)

The Senior Manager: Office of the Municipal Manager provided a brief overview regarding Appendixes D to T.

4. **AUDITOR-GENERAL'S (AG) FINDINGS AND ACTION PLANS**

(Page 162 -167 of the agenda)

The Senior Manager: Office of the Municipal Manager provided the reasons for the outcome of the audit opinion and advised that the Msunduzi Municipality had received a qualified audit opinion.

NOTED.

(At this point of the proceedings (9h45) Councillor S Reddy joined the meeting)

5. **CONCERNS RAISED AND ADDRESSED**

(Raised verbally)

Concerns were expressed regarding the collection rate of government debt, and it was believed that this was appalling in terms of overdue payments which ranged from three years and above. It was mentioned that no action had been taken against those defaulters in terms of disconnections. It was requested that a response be provided, and this be reflected in the Annual Report. Regarding the forensic investigations it was requested that additional information be included in the Annual Report for public consumption.

Councillor Niemand referred to page 13 of the report and requested his name be amended accordingly. He also referred to page 519 of the report and requested that the information be amended in terms of his pension fund as he was in possession of one. In terms of the variances, it was requested that an explanation be provided in the report, which was a significant issue due to the amount of stock that had gone missing. Additionally, it was requested this be incorporated into the report as it had a huge impact on the Msunduzi Municipality's financial situation. Clarity was sought regarding the overspending of fuel of R2 246 999 85. In terms of the Website, it was indicated that the Information and Communications Technology (ICT) assessment was one of the Auditor-General's findings. It was mentioned that the impact of this was directly related to the Website, hence an explanation regarding this was sought.

In terms of revenue enhancement, it was believed that this was non-existent and extremely negative, thus clarity was sought on strategies to address this. Moreover, it was proposed that this be reflected in the report for public consumption. Considering the revenue collection, it was stated that this should be incorporated in the report in terms of the budget. The Committee was referred to page 166 of the report regarding forensic investigations and it was requested that a more comprehensive explanation be provided.

In terms of the audit outcomes the Chairperson mentioned that this would be submitted to the ordinary meeting of the Committee. It was requested that the Ward offices be provided with adequate assistance in terms of the general maintenance of offices, resources such as stationery, printers, and appropriate offices. Concern was raised about the relationship between the Municipality and Safe City, and it was indicated that there was a lack of support in terms of response and collaboration by the Law Enforcement Unit. It was mentioned that without proper support from this Unit, this was rendered as fruitless and wasteful expenditure; hence it was requested that the implementation of the Single Law Enforcement Unit be expedited in terms of action and timeframes. It was thus recommended that a report be submitted to Council to ensure that Safe City was utilized in the manner it should be to avoid fruitless and wasteful expenditure. The relocation of the Forensic Unit was questioned, and it was stated that the implications thereto must be assessed in terms of what the Municipality was benefiting. Moreover, it was requested that this Unit be returned to the Internal Audit Unit.

The Senior Manager: Office of the Municipal Manager stated that in terms of the government debt and inter-governmental relation processes, the Municipality had a good support system from the Provincial Treasury where assistance was provided regarding the collection of government debt. She stated that they were dealing with the various government departments regularly regarding their debt. She advised that if the departments had made commitments, they were ultimately disconnected when they did not comply with their obligations. Regarding the explanation in terms of the variances on page 25 of the report, she suggested that this be submitted to the financial Business Unit to amend, prior to it being submitted to the Council. She referred to the overspending on page 29 of the report and indicated that this could be attended to via the explanation requested on the variants. Regarding the revenue enhancements, she felt that an adequate explanation had been provided in the report, however, she stated that other modifications requested by the Committee could be included and expanded on in the Oversight report. In terms of the relationship between Safe City and the Municipality, she pointed out that management was addressing this, and a plan had been established to manage it.

The Chairperson raised concerns regarding the long outstanding forensic investigation for the construction of a road in Ward 40, due to there being no response. Furthermore, he raised concerns regarding the absence of the Communications Unit during the Municipal Public Accounts Committee (MPAC) Oversight meetings. He also mentioned that due to the importance of those proceedings, he had expected the Unit to communicate them to the public.

Responding to a concern raised relating to the Website, the Manager: Communications indicated that the Municipality was aware that it was outdated, however, to comply with legislation, information on the website was updated regularly. She reported that a project for an entirely new website had been initiated by the Information and Communications Technology (ICT) Unit. Consequently, the tender had been advertised and closed in December 2024. In terms of the Municipal Public Accounts Committee (MPAC) oversight meetings she stated that the public were informed of them, however, they had not been requested to attend meetings and report on them. She apologized profusely for the inconvenience and indicated that they would rectify this for future meetings.

The Manager: Political Office concurred with the Committee regarding the support provided to the Ward Councillors' offices. He advised that some issues were due to the historical background that Council was faced with. He stated that the budgetary constraints also played a significant role in the interventions that they were currently undertaking. He indicated that some delays were caused by Councillors who had not adhered to the proper reporting procedures in terms of the loss of their laptops. He stated that other delays were caused by the Stores department that did not have supplies for general maintenance.

The Chief Audit Executive stated that he was bound by a Council resolution which separated the Forensic Unit from the Internal Audit Unit. He affirmed that Council took a decision based on false evidence from the previous Municipal Manager. He mentioned that the current Municipal Manager (Acting) had recommended to the Human Resources Unit that he acted or be seconded to the Forensic Manager's position, however, they had refused. Consequently, he stated that it was the Council's choice to rescind its decision or not. Additionally, he stated that he assisted the Municipal Manager with forensic investigations when instructed to do so. He expressed his dissatisfaction in this matter and pointed out that he could not do anything regarding it.

The Chairperson reminded the Committee of discussions held with the previous Municipal Manager and Council whereby the Municipal Public Accounts Committee (MPAC) had requested an independent investigator and a researcher to ensure that the Committee was effective, however, this was dismissed by him. Additionally, he mentioned that the previous Municipal Manager had also intended to remove the MPAC Chairperson's support staff from his office and deploy officials from other departments to assist him.

It was proposed that a recommendation be submitted to Council informing them that the Municipal Public Accounts Committee (MPAC) was undermined by Council in terms of capacity and the lack of support from Council. Concern was expressed on the missing laptops, and it was emphasized that this was a cause for concern due to their high cost. In terms of the government debt and inter-governmental relations processes, it was mentioned that this was not functioning at that time and should be included in the report as such. Regarding Safe City, it was stated that during the period under discussion the response time to the entity was disastrous and should be reflected as such. Committee recommended that a comprehensive report be submitted to Council regarding the relocation of the Forensics Unit to the Internal Audit Unit. Consequently, it was mentioned that action in terms of the Auditor-General's report would be required in relation to investigations regarding material irregularities. It was emphasized that Council was currently not in possession of a Forensic Unit. Clarity was sought on the Jika Joe operation and it was indicated that there was no change in that area.

Regarding the support to Ward Councillors offices, it was indicated that there had been minimum improvement. It was stated that some offices had recently acquired internet routers to connect them to the network. It was believed that Ward Councillors should be fully equipped with resources to attend to the public due to service delivery. Hence, it was recommended that a comprehensive report be submitted to Council to request that all Wards have the necessary resources, equipment, printers, network and suitable Ward offices. It was also recommended that a comprehensive report be submitted to the Committee regarding the implementation of the Single Law Enforcement Unit.

The Chairperson requested the Manager: Office of the Mayor to expedite the issues related to the support to the Ward Councilors' offices to ensure that they were managed effectively.

In response to a concern raised regarding the Jika Joe operation, the Senior Manager: Office of the Municipal Manager indicated that the reference in the report was in the context of the Provincial Growth and Development Strategy. She stated that the implementation thereof would unfold in the next Annual Report.

It was

**RESOLVED TO RECOMMEND TO
COUNCIL**

- (a) That the Manager: Municipal Public Accounts Committee, in consultation with the Municipal Manager, submits a report to Council expressing the concerns raised by the Committee regarding their lack of support and the absence of the Forensic Unit.
- (b) That in respect to (a) above, the Municipal Manager submits a report to Council recommending that the Forensic Unit be relocated to the Internal Audit Unit.

- (c) That the Municipal Manager submits a comprehensive report to Council to recommend that all Wards have the necessary resources, tools of trade, equipment, printers, network and suitable Ward offices for service delivery purposes.

It was further

RECOMMENDED

That the Deputy Municipal Manager: Community Services (Acting) submits a comprehensive report to the Municipal Public Accounts Committee (MPAC) meeting regarding the implementation of the Single Law Enforcement Unit; it being noted that the Committee requested that this process be expedited to avoid fruitless and wasteful expenditure by Safe City.

The meeting terminated at 10h50

Signed by

CHAIRPERSON

ACCOUNTABILITY ACKNOWLEDGEMENTS				
TASK	NAME	DESIGNATION	SIGNATURE	DATE
DOCUMENT PREPARED BY	C Jacobs	Committee Officer	<i>claudette jacobse</i>	14/04/2025
DOCUMENT CHECKED AND CLEARED FOR DISTRIBUTION	Ms. B Duze	Principal Committee Officer	<i>B Duze</i>	14/04/2025

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Kavina Christian

From: Kavina Christian
Sent: Wednesday, 19 February 2025 11:40
To: Kgomotso Baloyi
Subject: APPLICATION FOR EXTENSION : ANNUAL REPORT AND OVERSIGHT PROCESS
PLAN : 2023/24
Attachments: Extension for Oversight Report.pdf; MPAC Oversight Process Plan 2025 - 11 Feb
2025.doc; Council Extract.pdf

Dear Ms Baloyi

Please find attached, for your attention.

Kind regards



The Msunduzi Municipality

Telephone / uCingo: 033 392 2002
Facsimile/iFekisi: 086 770 2408

Private Bag / Isikhwama: X 321
Pietermaritzburg/ePietermaritzburg 3201

Enquire: H Zondi

E-mail: Hlalani.zondi@msunduzi.gov.za

Tel: 033 392 2012

12 February 2025

The Chief Director:
MFMA implementation National Treasury
Department of National Treasury
Private Bag X115
Pretoria
0001

ATTENTION : KGOMOTSO BALOYI

Email : Kgomotso.Baloyi@treasury.gov.za

Dear Ms Baloyi,

APPLICATION FOR EXTENSION FOR THE ANNUAL REPORT 2023/2024 AND OVERSIGHT PROCESS PLAN

The above matter has reference.

The Municipality writes this letter to request an extension relating to the tabling of the Annual Report in accordance with section 121 of the Local Government Municipal Finance Management Act 2003.

The extension is being requested since the Final Audit report for the 23/24 Financial Year has not yet been submitted or presented to the Municipality and Council by the office of the Auditor General.

In order to finalize the Annual Report, there are specific and necessary documents that need to be included, inter alia, the Annual Financial Statements, Auditor General Report and Response to the Auditor General. Once the final Report of the Auditor General has been received and presented to

OFFICE OF THE MUNICIPAL MANAGER

www.msunduzi.gov.za



Council, it is only then that the Annual Report may be finalized for scrutiny by the Oversight Committee.

In anticipation of the approval for the application of the extension, the attached Oversight Process Plan (**Annexure '1'**) on the Annual Report has been presented to and adopted at the Council meeting that was held on the 29 January 2025 (Council Resolution attached as **Annexure '2'**).

As per the attached plan, it is anticipated that the Oversight Report for the adoption of the Annual report will be presented to the meeting of the Council that is scheduled to be held on the 30 April 2025. Once adopted by Council, the Annual Report and the Oversight Report will be sent to the respective stakeholders as per legislative requirement.

The municipality remains committed to good governance and complying with the legislative requirements however the current situation is beyond the control of the Municipality.

I trust that this request receives your favourable consideration.

Sincerely,



MUNICIPAL MANAGER (ACTING)

Annexure 1 : Process Plan

Annexure 2 : Resolution of Council dated 29 January 2025