

No. 54

MINUTES

OF

ETHEKWINI MUNICIPAL COUNCIL

Meeting held on Monday, 2023-12-11T10:00,
Inkosi Albert Luthuli International Conventional Centre, Durban.

PRESENT : Councillors TE Nyawose (Speaker), TM Kaunda (Mayor), ZP Myeni (Deputy Mayor), AD Beesley, A Beetge, M Billy, JM Black, NJ Bollman, M Brauteseth, MH Buthelezi, KPM Cele, SB Cele, SP Chebure, J Chetty, SV De Boer, J Essop, BA Fortein, SN Gabela, SG Gama, GM Gasa, FO Gcabashe, R Gokool, S Govender, Y Govender, BR Gumede, S Gumede, GJ Hegter, MM Hlengwa, NP Hlomuka, SD Hlongwa, F Ismail, MF Ismail, M Johnson, MA Mgobhozi, K Khambule, MH Khan, NP Khawula, MN Khubisa, KNN Khubone, NL Khuzwayo, ZW Khuzwayo, SNC Khwela, A Kissoon, V Kunju, CJ Laing, M Lutchmen, WM Luthuli, RD Macpherson, MA Madlala, NI Madlala, SR Madlala, A Maharajh, RP Maharaj, S Maharaj, FN Majola, TG Makhanya, HS Makhathini, MW Manqele, JB Maphumulo, NJ Maphumulo, TZ Mathe, SH Mazibuko, WM Mazibuko, M Mbambo, KT Mbhele, SW Mcineka; X Mdlazi, FW Mdletshe, D Mea, SP Mfeka, K Mhlaba, DPM Mhlongo, GN Mhlongo, NM Mhlongo, T Miya, AZ Mkhize, KV Mkhize, ME Mkhize, MP Mkhize, NN Mkhize, NA Mkhize, SM Mkhize, TJ Mkhize, B Mkhwanazi, BR Mngadi, DF Mngadi, S Mngadi, MR Mngonyama; TJ Mnguni, DP Mngoma, BV Mngwengwe, S Mnyandu, T Mohamed, R Moses, ND Motseke, SB Mpanza, LI Msomi, DV Msweli, LG Mthembu, SSS Mthethwa, TD Mthethwa, TM Mthethwa, N Munien, OB Mvubu, SK Mzimela, BD Naidoo, S Nala, V Ncukana, NB Ndlela, AB Ndlovu, PB Ndlovu, PC Ndlovu, NS Ndlovu, TB Ndlovu, V Ndlovu, SG Nene, TH Nene, SB Ngcongo, DB Ngubane, LE Nkomeni, XM Nqweniso, DM Nsundwane, SH Ntombela, PC Ntshangase, BT Ntuli, N Ntuli, NZ Ntuli, PB Ntuli, B Nxumalo, PH Nxumalo, NN Nyanisa, MV Nzimande-Madlala, AAK Paruk, AE Peterson, AS Phahla, BW Phewa, DT Pillay, P Pillay, GDA Pullan, A Rampersad, VG Reddy, T Sabelo, S Sewshanker, LP Shange; MG Shange, TE Shezi, IM Shinga, JN Sibisi, WP Sibiya, LC Sikhakhane, BSB Sindane, EL Singh, J Singh, S Singh, PS Sishange, CN Sisoka, NI Sithole, BS Sivetye, EG Smith, AD Snyman, ZR Sokhabase, I Syed, BB Thusi, M Thusi, NT Tyelinzima, JC Van den Berg, HM Van Der Ryst, NB Vilakazi, NI Webster, SM Windvogel, TV Xulu, NY Young, GN Zondi, M Zondi, N Zondi, ON Zondi-Mthembu, TG Zungu and there being one (01) vacancy.

ABSENT : A Abdul (Personal Commitments), J Annipen (Personal Commitments), T Biyela (Personal Commitments), WJD Burne (Personal Commitments), R Cloete, CB Dlamini (Personal Commitments), Z Dzanibe (Personal Commitments), DM Gcabashe (Personal Commitments), NBC Godlwana, G Govender (Indisposed), SV Govender (Personal Commitments), NC Gumede (Personal Commitments), MS Gwala (Personal Commitments), LBS Jali,

DM James (Indisposed), BG Kubheka (Personal Commitments), SW Lushaba (Personal Commitments), ME Mabaso, RP Mbonambi (Personal Commitments), BA Mchunu (Indisposed), JL Mchunu, NP Mchunu (Personal Commitments), RL McKenzie (Indisposed), SE Mhlongo, MB Mjadu (Personal Commitments), MA Mkhize (Personal Commitments), ZM Mncwango (Personal Commitments), E Mngadi (Personal Commitments), SV Mngadi (Indisposed), ZO Mnomiya, J Naidoo (Personal Commitments), MF Ndlovu (Indisposed), DR Nowbuth (Personal Commitments), MR Nxumalo (Personal Commitments), SR Moodley (Indisposed), MS Nkosi (Personal Commitments), BH Shange (Personal Commitments), HP Shoji (Indisposed), KS Sibisi (Indisposed), ZA Solomon (Indisposed), A Shaheed, ME Thusi (Personal Commitments), ZN Tshazela (Personal Commitments) and T Xuma (Indisposed).

AMAKHOSI

PRESENT : Inkosi EB Shoji.

AMAKHOSI

ABSENT : Inkosi S Mlaba and Inkosi JJ Shangase.

OFFICIALS

PRESENT : Messrs/Mesdames M Mbhele (City Manager), S Mfingwana (Deputy Head: Litigation), M Mthiyane (Deputy Head: Legal Support), BM Mhlongo (Deputy Head: Office of the Speaker), T Ndlovu (Senior Manager: Secretariat) and SC Zondi (Chief Committee Officer).

(At the commencement of the meeting 169 Councillors were present, comprising ANC - 90, DA - 46, EFF - 16, IFP - 00, ActionSA - 02, ABC - 02, ACC - 02, ACDP - 01, AIC - 02, ADEC - 00, APF - 00, ATM - 01, AL JAMA-AH - 01, DLC - 00, JEP - 00, KZNI - 01, MF - 01, MOSA - 00, NFP - 01, PFP - 00, PRM - 01, TA- 00, UIM - 01 and VF Plus - 01.

1. NOTICE CONVENING THE MEETING

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

2. OPENING

The Speaker declared the meeting open at 10h20 and extended a warm welcome to Councillors; Traditional Leaders; City Manager; Deputy City Managers; Deputy Heads Legal and Compliance and other Unit Heads; Members of the Administration; Media; and Members of the public viewing on social media live streaming.

3. AFRICAN UNION AND NATIONAL ANTHEM

At the request of the Speaker the meeting stood to sing the African Union Anthem and the National Anthem of the Republic of South Africa.

4. OPPORTUNITY FOR PRAYER/MEDITATION

The Speaker requested Council to observe a moment's silence for everyone to meditate.

5. OFFICIAL ANNOUNCEMENTS

5.1 The Speaker presented the following announcements for the attention of the Members of Council:

5.1.1 On behalf of Council, the Speaker extended appreciation to those who participated in the sixteen (16) Days of Activism for Non-Violence against Women and Children campaign, under the theme, "Investing to prevent violence against women and girls." He then called upon everyone to continue fighting this terrible blight and protect women and vulnerable groups in the society.

5.1.2 With the commencement of the festive season, the Speaker, on behalf of Council extended best wishes to eThekweni citizens and visitors during the festive season. Reference was made to a sound Festive Season Management Plan developed, and with the City confirming its state of readiness to ensure everybody enjoys attractions in a safe and exciting manner.

5.1.3 Councillors' attention was drawn to the fact that this was the last Council meeting of the year. The Speaker then extended gratitude to Councillors and officials for maintaining good work ethic thus ensuring that the Municipal Council fulfils its strategic objectives in a bid to provide sustainable service delivery to its citizens.

It was reported that the Municipal Council is going on recess with effect from 12 December 2023 to 12 January 2024. That urgent matters requiring Council decision during this period will be dealt with in terms of Rule 28 of the Rules of Order Bylaw 2014, and subsequently serve before the first Council meeting in January 2024 for ratification purposes.

5.1.4 The Speaker, on behalf of Council, congratulated Team eThekweni for yet again flying the Municipal flag high in the 2023 SALGA Games held recently, and scooping almost all medals and trophies, thus becoming the overall 2023 winners.

5.1.5 Councillors were reminded to conduct themselves in line with the provisions of the Councillors' Code of Conduct to ensure that this meeting is conducted in a dignified manner and portraying good leadership image to the residents of eThekweni.

5.1.6 In conclusion, best wishes were extended to Councillors celebrating their birthdays during the month of November.

6. **SPEAKER'S REPORT**

6.1 Purpose

In presenting his Report, the Speaker submitted that the purpose was to report the activities undertaken by the Municipal Council during the month of November 2023, in line with the provision of Section 13(f) of the Rules of Order By-Law 2014, as amended; the alleged Councillor Breaches with Schedule 7: Code of Conduct for Councillors as well as the Update on the 2023 Senior Citizens Programme.

6.2 Municipal Council Activities

6.2.1 It was reported that the Municipal Council led by His Worship the Mayor Councillor M Kaunda successfully launched the Municipality's festive season programme, which is aimed to attract many tourists to visit the City of Durban as the warmest and greatest tourist attraction. The launch also marked the official commencement of the 2023 festive season.

6.2.3 The Speaker was pleased to report that the Municipality has been working tirelessly to ensure timeous attention was given to resolve issues around water shortages; quality of water in beaches; fixing swimming pools and other related activities to ensure that the City is ready to welcome tourist for the said festive period and that communities were comfortable during this period.

6.2.3 It was also reported that the Municipality successfully hosted the Crime and Social Cohesion conference tackling matters of Safety and Security in the City, in terms of crime management. The Fraud and Corruption Awareness Seminar was also held over the month of November 2023 in the fight against fraud and corruption.

6.2.4 Several other community/stakeholder engagements amongst others, held over this period under review, were reported as follows: -

- Operation Sukuma Sakhe (OSS) day that was held on 17 November 2023, at Umlazi (Wards 78; 79; 80; 81; 88).
- Mayoral Izimbizo held on 02 November (Ward 96; 100 and 105); 25 November and on 10 December 2023. The purpose of these engagements was to engage the communities on outstanding urgent service delivery matters, such as water shortages, and provide status reports on those matters that the Municipality was currently working on. It being mentioned that these engagements were yielding such positive results as communities acquired knowledge and understood that their matters were receiving necessary attention.

6.3 Alleged Councillor Breaches With Schedule 7: Code Of Conduct For Councillors.

6.3.1 Council noted that Schedule 7: Code of Conduct for Councillors makes provision that a Councillor must attend each meeting of the municipal council and of a committee of which that councillor is a member, except when-

- (a) leave of absence is granted in terms of an applicable law or as determined by the rules and orders of the council; or
- (b) that councillor is required in terms of this Code to withdraw from the meeting.

6.3.2 Section (9)(1)(b)(c) of the Rules of Order By-Law (2014) makes further provision that:

“9. Leave of absence – (1) If a Councillor-

- (a)
- (b) is unable to remain in attendance at a meeting; or
- (c) will arrive after the stipulated commencement time of a meeting, the Councillor must, as soon as reasonably possible and prior to the meeting lodge with the Speaker an application in writing for leave of absence with reason from the whole or part of the meeting concerned.”

6.3.4 It was recalled that on 15 August 2023, there were Councillors from the African National Congress (ANC) that left the meeting without having complied with the above-mentioned provisions, hence being allegedly in breach of the Councillor’s Code of Conduct.

6.3.5 In addressing the above-mentioned allegation, the Speaker applied Section 15 of the Code of Conduct which makes provision that if the Speaker of a municipal council is on reasonable opinion that there has been a breach of the Code, may give a Councillor a reasonable opportunity to reply in writing regarding the alleged breach.

6.3.6 The said Councillors that left the meeting held on the 15 August 2023 were given an opportunity to respond to the alleged breach, some responded as required, and the reasons submitted to the Speaker were considered, and warnings being issued. However, it was advised those that did not respond will be referred to the Ethics Committee in line with Section 16 of the Code of Conduct for investigation and recommendation to Council.

6.3.7 It was also recalled that on 31 October 2023, there were Councillors from the Economic Freedom Fighters (EFF) that were removed from the Council proceedings due to a conduct that was disruptive during the meeting. The removal of such Councillors is in line with the item 15(5) of the Rules of Order provisions which reads:

(5) *“When the Speaker directs a person to leave the meeting as per subrule (1) (h) and such person refuses to leave, the Speaker must*

(a) where such person is a Councillor?

- (i) instruct the Whip of the Councillor's political party to remove the Councillor from the meeting;*
- (ii) instruct the Chief Whip to remove such Councillor from the meeting, where the Whip fails to act or the Councillor concerned fails to leave as per subparagraph (i); or*
- (iii) instruct officials of the Municipality providing security management services at the meeting to remove such Councillor from the meeting where the Councillor concerned fails to leave as per subparagraphs (i) and (ii), subject to subrule (6) ; and*

(b) where such person is a person other than a Councillor, instruct officials of the Municipality providing security management services at the meeting to remove such person, subject to subrule (6).

(6) *The Municipal Manager may, for the purpose of ensuring the safety of all persons attending a meeting of Council, appoint officials of the Municipality to provide a security management service at such meeting."*

6.3.8 Council were reminded that the Code of Conduct Regulations, gazetted in June 2023, stipulates that in the event where Councillors leave the meeting prior finishing off the business of the day, without necessary approval being sought, and/or Councillors who stage a walk out are all considered to be in breach of the Code of Conduct for Councillors.

6.3.9 It was advised that the Speaker of Council had applied Section 15 of the Code of Conduct for Councillors and requested the implicated EFF Councillors to make written submission in terms of alleged breach for being removed from the meeting.

6.3.10 The said Councillors were given until Friday, 08 December 2023 to make submissions accordingly, the Speaker will consider the submissions made and issued sanction accordingly, however, for those that did not make submission as required, same principle will apply that the matter being referred to Ethics Committee for further investigation and recommendation to Council.

6.3.11 Mention being made that once the two (02) above mentioned matters have been concluded, a report therefrom shall be forwarded to MEC: Cooperative Governance and Traditional Affairs in line with provision 15(3) of the Code of Conduct for Councillors.

6.4 Senior Citizens Programme 2023

6.4.1 It was recalled that on an annual basis, the Municipality celebrates its elderlies through the ward based Senior Citizens Programme, which was part of the City's relief programme. These celebrations were held towards the year end in time for the festivities of the festive season.

6.4.2 Council was reminded that previously the format of these celebrations was a gathering, where elderlies would come together, socialize, interact with the Municipality, and thereafter be issued with take home goodies. However, due to Covid-19 and its regulations, such gatherings were no longer allowed. This necessitated that the format thereof be changed to just issuing Senior Citizens with food vouchers to enable them to acquire the supplies and/or treats themselves.

6.4.3 That from the year 2020, the Senior Citizens have been issued with the said food vouchers, and this year as well, 2023, the Senior Citizens will be issued with food vouchers. As in the previous years, each Ward Councillor will receive a total of five hundred (500) food vouchers to issue to the elderlies from their respective Wards. Ward Councillors were then encouraged to accommodate PR Councillors in this allocation and to work with Ward Committees in issuing the food vouchers.

6.4.4 It was advised that the food vouchers will be made available to Ward Councillors by Friday, 15 December 2023, however, Ward Councillors will be advised when the vouchers are ready for collection. It being noted that the said food vouchers will be accompanied by a register for beneficiaries to sign and Ward Councillors to return the registers accordingly for audit purposes.

The Speaker went further to report that his Office had received several complains and proposals from PR Councillors regarding food vouchers. He mentioned that his Office was requested to consider allocating some of the food vouchers to PR Councillors and that the PR Councillors have cited allegations that implicated that Ward Councillors were distributing food vouchers only to members of their respective political parties. Also, that some senior citizens that do not meet the qualification criteria were being given the food vouchers.

In his response to the complainants, the Speaker reported that these allegations have been taken seriously, as Ward Councillors were being accused of maladministration, however, the Speaker went further to indicate that PR Councillors might also be accused of the very similar conduct as his Office does not have control over political matters but can only advise on what is applicable in terms of the procedures. Therefore, he indicated that his Office have all the confidence in all Ward Councillors to distribute food vouchers in a fairly manner since Ward Councillors have been democratically elected to represent all the interests of their respective communities, hence it being recommended that Ward Councillors should work with PR Councillors and Ward Committees in issuing the food vouchers.

At the conclusion of the Report, some Councillors requested to comment thereon. However, the Speaker advised that the Report is not submitted for discussion. That in the past he exercised his discretion to entertain discussion for the purpose of clarifying certain points for ease of understanding.

With the opportunity having been created for discussion, the EFF drew attention to the Senior Citizens Programme, in relation to the five hundred (500) food vouchers to be distributed in each Ward. The EFF was not satisfied that the vouchers are only allocated to the Ward Councillors, with a proviso that they work with PR Councillors and Ward Committees for distribution purposes. The Council was informed that some of the Ward Councillors are not cooperative.

A recommendation was then made that the Programme be reviewed and consideration given to issuing vouchers to both Ward and PR Councillors. The EFF maintained that the legislation does not distinguish between PR and Ward Councillors. In this regard it was then submitted that all Councillors should be treated equally. A recommendation being made that out of the total of 500 vouchers, 100 vouchers be allocated PR Councillors. The ActionSA shared a similar sentiment and labelling the process of allocating Ward Councillors unfair and also undemocratic.

Commenting on the matter, the Speaker advised that the procedure being followed to handle food vouchers is similar to that followed the previous years. He advised that the approach was discussed and agreed to at the Speaker and Party Whips Committee where all Political Parties are represented. A plea was then made that all Councillors find an amicable way to handle voucher distribution in the respective Wards.

His Worship the Mayor, supported by the ADEC; APF; and the ACC shared the views that this matter has already been concluded at the Speaker and Party Whips meeting and therefore urged Councillors to adhere to that resolution and the logistics thereof to be discussed outside this Council meeting.

In concluding this matter, the Speaker submitted that the decision to allocate food vouchers to Ward Councillors stands. He then undertook to hold bilateral discussions with the EFF to consider their request and then determine a way forward.

*On this basis, the Report by the Speaker was then **NOTED.***

7.

APPLICATIONS FOR LEAVE OF ABSENCE

RESOLVED:

The following Councillors be granted leave of absence as indicated:

COUNCILLORS

Councillor A Abdul	:	2023-12-11	Personal Commitments
Councillor J Annipen	:	2023-12-11	Personal Commitments
Councillor T Biyela	:	2023-12-11	Personal Commitments
Councillor WJD Burne	:	2023-12-11	Personal Commitments
Councillor CB Dlamini	:	2023-12-11	Personal Commitments
Councillor Z Dzanibe	:	2023-12-11	Personal Commitments
Councillor J Essop	:	To leave at 16h00 J Essop	
Councillor DM Gcabashe	:	2023-12-11	Personal Commitments
Councillor G Govender	:	2023-12-07 to 2023-12-12	Indisposed
Councillor SV Govender	:	2023-12-11	Personal Commitments
Councillor NC Gumede	:	2023-12-11	Personal Commitments
Councillor S Gumede	:	To leave at 16h30	
Councillor MS Gwala	:	2023-12-11	Personal Commitments
Councillor DM James	:	2023-12-11	Indisposed
Councillor MF Ismail	:	To leave at 18h00, but to return at 19h15	
Councillor BG Kubheka	:	2023-12-11	Personal Commitments
Councillor K Khambule	:	To leave at 17h00	
Councillor SW Lushaba	:	2023-12-06 To 2023-12-13	Personal Commitments
Councillor RP Mbonambi	:	2023-12-11	Personal Commitments
Councillor BA Mchunu	:	2023-12-11	Indisposed
Councillor NP Mchunu	:	2023-12-11	Personal Commitments
Councillor RL McKenzie	:	2023-12-11	Indisposed
Councillor MB Mjadu	:	2023-12-11	Personal Commitments
Councillor MA Mkhize	:	2023-12-11	Personal Commitments
Councillor ZA Mncwango	:	2023-12-11	Personal Commitments
Councillor E Mngadi	:	2023-12-11	Personal Commitments
Councillor SV Mngadi	:	2023-12-11 To 2023-12-12	Indisposed
Councillor DV Msweli	:	To leave at 16h00	
Councillor OB Mvubu	:	To leave at 12h00	
Councillor J Naidoo	:	2023-12-11	Personal Commitments
Councillor MF Ndlovu	:	2023-12-11	Indisposed
Councillor DR Nowbuth	:	2023-12-11	Personal Commitments
Councillor MR Nxumalo	:	2023-12-11	Personal Commitments)
Councillor SR Moodley	:	2023-12-11 To 2023-12-12	Indisposed
Councillor MS Nkosi	:	2023-12-11	Personal Commitments
Councillor P Pillay	:	To leave at 13h30	
Councillor VG Reddy	:	To leave at 14h00, but to return at 15h00	
Councillor S Sewshanker	:	To leave at 14h00	
Councillor BH Shange	:	2023-12-11	Personal Commitments
Councillor HP Shozi	:	2023-12-11	Indisposed
Councillor KS Sibisi	:	2023-12-11	Indisposed
Councillor J Singh	:	To leave at 14h00	
Councillor I Syed	:	To leave at 16h00	
Councillor ZA Solomon	:	2023-12-11	Indisposed

Councillor ME Thusi	:	2023-12-11	Personal Commitments
Councillor ZN Tshazela	:	2023-12-11	Personal Commitments
Councillor SM Windvogel	:	To leave at 14h30	
Councillor T Xuma	:	2023-12-11	Indisposed

At this stage of the proceedings, the attention of Council was drawn to Rule 9 of the Rules of Order By-Law, which reads as follows:

1) If a Councillor -

- (a) is unable to attend a meeting for which notice has been given;*
- (b) is unable to remain in attendance at a meeting; or*
- (c) will arrive after the stipulated commencement time of a meeting, the Councillor must, as soon as is reasonably possible and prior to that meeting, lodge with the Speaker an application in writing for leave of absence with reasons from the whole or part of the meeting concerned.*

In view of the foregoing, it was queried whether all IFP Councillors absent in this meeting have complied with the requirements outlined above. The attention being also drawn to the fact that this was not the first occasion for the entire IFP Councillors to be absent in Council meeting.

In response, the Speaker confirmed receipt of the Leave of Absence forms for all IFP Councillors, and this was then noted accordingly.

8. **DECLARATION OF INTEREST**

It was noted that none of the members of Council had declared any interest on the matters contained in the agenda.

9. **CONFIRMATION OF MINUTES: MEETINGS HELD 2023-10-31 and 2023-11-09; (Both Ordinary); 2023-07-13 and 2023-08-15; 2023-08-24; 2023-10-10 (All In-Committee).**

The eThekweni Municipal Council Minutes for the meetings reflected above were tabled as having been circulated:

- (i) 2023-10-31 (Ordinary) were tabled, moved by Councillor Kaunda and seconded by Councillor Ntshangase.
- (ii) 2023-11-09 (Special) were tabled, moved by Councillor Sokhabase and seconded by Councillor Mngwengwe.
- (iii) 2023-07-13, 2023-08-15, 2023-08-24 & 2023-10-10 (All In-Committee), were adopted during an In-Committee session.

Thereafter, it was

RESOLVED:

That the Minutes of the meetings of the eThekweni Municipal Council held 2023-10-31 and 2023-11-09; (Both Ordinary); 2023-07-13 and 2023-08-15; 2023-08-24; 2023-10-10 (All In-Committee), as circulated and taken as read, be and they are hereby confirmed.

10. MATTERS ARISING

Reference having been made to the Minutes of the Council meeting of 2023-11-09, Councillor Mthethwa of the DA enquired whether the Neighbourhood Development Partnership Grant (NDPG) for the Public Employment Programme (PEP) will continue without any interruptions as per confirmation given at the previous meeting.

In response thereto, the City Manager confirmed that the NDPG roll-over approval places the Municipality in a good position to proceed with PEP and that revised Business Plan will then take PEP to end December 2023.

In support thereof, His Worship the Mayor pointed out that the PEP was still in progress, however only for the NGO's beneficiaries. Information being given that the Municipality is still engaging the National Treasury to obtain additional funding for the Municipality to continue with the entire programme as it has been temporally suspended pending the availability of funds.

Thereafter, as a follow-up to the above response, Councillor Mthethwa then enquired as to how the current beneficiaries from the NGO's were selected, citing that the programme was now continuing only for the selected few and with others being left behind. Further, stating that the Council was then misled at the previous meeting that the programme was fully operational.

Whereafter, the Chairperson of the Economic Development and Planning indicated the majority of the PEP beneficiaries were under the NGOs. Further that it was not incorrect for the Municipality to communicate a response pertaining to the NDPG for PEP as received from National Treasury.

This was accordingly, **NOTED**.

At this stage of the proceedings, the Speaker requested to amend the order of proceedings. He indicated that Council will first consider Questions submitted in terms of Section 27 of the Rules of Order and then consider the Ethics Committee Report, followed by the normal agenda items and thereafter Council will consider all In-committee matters. This was noted, accordingly.

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

11.1 Questions submitted by Councillor M Billy: Allegations Of Irregular Expenditure On Electricity Unit Contracts E9412 And E9422

EThekweni Electricity Department has been alleged to have experienced serious contract management challenges affecting important service delivery aspect. Considering the above mentioned I request for the following questions be answered:

1. Contract: E9422:
 - (a) When was it awarded?
 - (b) What was the contract value and duration?
 - (c) When and why was it cancelled, terminated or stopped?
 - (d) What was the overall spend on this contract at the time of its conclusion, termination and stopped?
 - (e) Was there any investigation done on this contract?

- (f) If yes, when was it started and what is the status of the investigation?
- (g) If investigation has been concluded, what was the outcome?

2. Contract: E9412:

- (a) When was it awarded?
- (b) What was the scope and value of the contract?
- (c) Has it been concluded?
- (d) If it has been concluded, what was the overall spend on it?
- (e) Was there ever internal or external investigation conducted on this contract?
- (f) If yes, what is the status or the outcome of that investigation?

Responses to the above questions were not provided during this ordinary meeting, but these were going to be dealt with Incommittee together with the Report on the Allegations of Irregular Expenditure on Electricity Unit Contracts E9412 And E9422.

This was accordingly, NOTED.

12. REPORTS:

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

FIRST REPORT OF THE EXECUTIVE COMMITTEE

(Meeting held 2023-11-14)

PRESENT : Executive Committee Members TM Kaunda (Mayor and Chairperson), A Beetge, NI Madlala, TM Mthethwa, MS Nkosi, BT Ntuli and ZR Sokhabase.

ABSENT : Executive Committee Members ZP Myeni (Deputy Mayor: Municipal Business), Y Govender (Personal Commitments) and OB Mvubu (Indisposed).

1. REPORT OF THE GOVERNANCE AND HUMAN RESOURCE COMMITTEE:
MEETING HELD 2023-11-08.

(Page R1)

1.1 Request to Reprioritise Intergovernmental Relations Unit's 2023/2024 Capital Budget
(7/1/2/2 & 8/6/1)

(Page 23)

Authority is sought to reprioritise the 2023/2024 financial year capital budget of the Intergovernmental Relations Unit in the estimated amount of R32 000.00

(Thirty-Two Thousand Rand). Projects with surplus funds have been identified in the furniture capital vote to cater for items with insufficient funds. The computer equipment vote has insufficient funds, and adequate provision of computer equipment is critical in ensuring efficient operations and good governance. The reprioritisation of the capital budget would ensure availability of funds for the computer equipment vote that has insufficient funds.

The Committee acknowledged the importance of computer equipment in the overall operations of the Municipality, it being hoped though that there won't be any compromise in the supply of furniture equipment as a result of this reprioritisation.

Accordingly,

COMMITTEE RECOMMENDS:

- 1.1.1 That authority be granted for the Head: Intergovernmental Relations to facilitate the 2023-24 capital budget reprioritisation of the Intergovernmental Relations Unit in the estimated amount of R32 000.00 (Thirty-Two Thousand Rand) identified as surplus funds under the furniture capital budget and to be transferred to the computer capital budget in the 2023/2024 Financial year.
- 1.1.2 That subject to the approval of .1 above, the Deputy City Manager: Finance includes the reprioritisation of an estimated amount of R32 000.00 (Thirty-Two Thousand Rand), in the 2023/2024 financial year adjustment budget.

Financial Implications:

Funds Requested			Funds Requested		
Project Description	Vote number	Estimated Amount	Project Description	Vote number	Amount Estimated
Computer Equipment vote	32410.44630.30015.0000.PC8300.0010	R32 000.00	Furniture Vote	32410.44520.30015.0000.PC8400.R001	R32 000.00
Savings required					R32 000.00
Total Estimated cost		R32 000.00		Total Estimated cost	R32 000.00

FC No.: 2024/06/CA06

ADOPTED.

1.2 Ward Committee Functionality Report as at 31 October 2023

(L104)

The Committee received a report on the Ward Committee operations as at 31 October 2023. The Report comprised activities undertaken during this period; measures to be implemented to improve the functioning of Ward Committees; the audit

matters relating to Ward Committees; as well as a proposal to review a stipend payable to Ward Committees for out-of-pocket expenses.

Strengthening Ward Committee Operations:

In terms of the activities, the Office of the Speaker continued conducting oversight visits, as part of the Turnaround Plan to improve the functioning of Ward Committees, as having been reported by the Speaker of Council during the recent Council meetings. At the time of compiling this Report the oversight visits were already conducted to a number of seventy-four (74) Ward Committees and with preparations being underway to visit the remainder of the Ward Committees. The intention is to improve the functionality score as per the assessment undertaken by the Provincial Department of Cooperative Governance and Traditional Affairs (CoGTA). In this regard the Municipality last received the rating of 55% functionality and the target set by the City Administration Unit during the 2023-24 financial year is to achieve average score of 80%, hence the oversight visits being conducted.

In terms of the Report, Ward Councillors are being encouraged to also convene community meetings and submit their monthly activity Reports which account for 30% each in terms of the CoGTA assessment tool. Therefore, in the absence of the two (02), the functionality score is dealt with a heavy blow. Most importantly, emphasis is put on achieving collaborative efforts in dealing with Ward Committee matters, with both the Ward Councillors and the Administration Team prioritizing Ward Committee matters and using all possible avenues to address matters impacting the Wards thereby achieving tangible results where required. In terms of the Turnaround Plan shared with all Councillors, there is a clear role clarification and obligations in terms of the Ward Committee operations.

Empowerment Programme and Audit Findings:

The Committee was informed of the empowerment programmes to impart skills to Ward Committees as per their respective Portfolios. As such, the empowerment for the Secretaries focuses on Meetings Procedures and Processes to achieve all necessary governance processes pertaining to the functioning of Ward Committees. The Portfolios are addressed by the respective Municipal Units to understand core functions under the respective Portfolios. Meanwhile, the attention of the Committee was also drawn to the fact that the establishment and functioning of Ward Committees is a compliance matter which is also subjected to auditing. Consequently, arising from the recent audit process, there is remaining funding relating to safekeeping of unsigned documents of the Ward Committee operations. The City Administration Unit has been given a specific deadline within which to clear this finding. Cooperation is therefore sought from Ward Councillors when approached to go through the documents with the intention of validating them through signatures of Ward Councillors.

Service Delivery Matters:

The Committee noted service delivery matters as per the schedules attached to the main Report of the Governance and Human Resources Committee, and representing a period under review. It being also noted that matters contained therein are being processed by the City Administration Unit through the relevant Municipal Units. It should be noted that the schedules referred to are not exhaustive as the process of capturing service delivery matters is ongoing as and when Ward Committee Minutes are received. Ward Councillors are at liberty to track matters and bring some to the attention of the Unit where practical. The Report also comprises some of the issues

raised by Ward Councillors during the briefing sessions in preparation for the oversight visits. One of the major one involves a request to convene a workshop for the Ward Councillors to unpack the projects allocated the Wards and other matters related to those projects.

Proposed Review of Stipend Payable to Ward Committees:

Lastly, the Committee engaged on a proposal to review the stipend payable to Ward Committees to cover out-of-pocket expenses. The Committee noted that setting stipend parameters has been the competence of the Minister of CoGTA thus the Council had no powers to review same. However, that CoGTA has since issued a directive mandating the Municipality to review stipend based on affordability. Accordingly, authority is sought for the Deputy City Manager: Governance & International Relations to commence with a process of conducting benchmarking exercise and budget analysis in preparation to review the stipend and subsequently submit a comprehensive Report to go through the Committee processes till submission to the Council meeting of March 2024.

The Committee noted the activities of the Ward Committees and unanimously supported a process to review stipend citing this process has been long overdue. During discussion, the Committee also emphasised the importance of monitoring and evaluating the Ward Committee operations in particular as they relate to the respective Portfolios to ensure work undertaken is of an acceptable standard. The importance of conducting empowerment programmes was also cited.

In view of the foregoing,

COMMITTEE RECOMMENDS:

- 1.2.1 That Council notes operational activities of Ward Committees as at 31 October 2023 as recorded below, whilst approving the matter relating to the review of the Ward Committee stipend:
 - 1.2.1.1 That the Ward Committee Empowerment Programme conducted from 15 July to 19 August 2023 focusing on the governance processes impacting the Ward Committees as well as planning for commitments to be included in the Ward Operational Plans and Community-Based-Planning document; be noted. It being recorded that the Empowerment Programme is included in the Service Delivery and Budget Implementation Plan monitored by the Performance Monitoring and Evaluation Unit and with no adverse feedback having been received thus far.
 - 1.2.1.2 That a Turnaround Plan to be implemented to address service delivery matters, which plan seeks to link matters received from Ward Committees, with the following: Service Delivery and Budget Implementation Plans; Ward Operational Plans; Community-Based-Planning; Municipal Council decisions; thereby guiding Ward Committees to take note of the contents of the aforementioned documents as these may address some of the matters raised by Ward Committees without these having to be escalated to the City Administration Unit, be noted.
 - 1.2.1.3 That it be noted that as part of the interventions to strengthen Ward Committee operations, Ward Committee oversight visits have been conducted in 74 Wards; with the remainder of Wards still to be visited accordingly.

- 1.2.1.4 That it be noted that the service delivery matters raised during preparations and/or during oversight visits as recorded, and to be attended to by the relevant Municipal Units, include the following:
- (i) Water and electricity challenges
 - (ii) Stormwater and sewerage spillages
 - (iii) Ineffective Municipal Call Centre
 - (iv) Projects implementation delays and unilateral changes of Ward allocated projects as well as budget transfer
 - (v) Access to job opportunities at the Ward level
 - (vi) Proposed ring-fencing of jobs to be given to local competent individuals at the Ward level
 - (vii) Delays in providing relief for some of the flood victims
 - (viii) Escalating crime levels
 - (ix) Access to Blocksum for Wards low-cost projects
 - (x) Achieving accountability in the Office of the Speaker regarding receipt of meeting documents from the Ward Committees for accurate documents reconciliation and reporting thereon
- 1.2.1.5 That the audit finding of filing unsigned Ward Committee documents in the Unit's Central Registry and the 2-month period set to clear this finding, in consultation with Ward Councillors, be noted.
- 1.2.1.6 That authority be granted for the Deputy City Manager: Governance and International Relations to commence the process of reviewing the stipend payable to cover out-of-pocket expenses incurred by Ward Committee members; it being noted the stipend has remained the same since the inception of Ward Committees in eThekweni, and the review to take into account best practice and affordability; with the entire process to be finalised for approval by the Municipal Council at its March 2024 meeting, the intention being to implement the revised rate from 1 April 2024.
- 1.2.1.7 That the Office of the Speaker coordinates a Workshop to enable Ward Councillors to unpack projects allocated to their Wards and to obtain information on the following aspects:
- (i) Confirmation that projects are still set for implementation.
 - (ii) To affirm timelines or estimated timelines
 - (iii) To confirm consultation process with the respective Units
 - (iv) To confirm local participation in job opportunities per project

During consideration of this matter, a proposal to review stipend paid to the Ward Committees was supported. This was considered a crucial step towards motivating the Ward Committee members to deliver exceptionally in handling community needs.

ADOPTED.

- 1.3 Request for Acceptance of Discretionary Grant from the Transport Education and Training Authority for Apprentices Training

(L106)

The Committee received a report requesting authority to accept an amount of R5 100 000.00 (Five Million One Hundred Thousand Rand) Discretionary Grant obtained from the Transport Education and Training Authority (TETA) to train

Twenty (20) Apprentices in the electrical trade, as part of Artisans Development Programme. The Artisans Development Programme is aimed to train One Thousand (1 000) Artisans in various trades, and thus a budget of R74 100 000.00 (Seventy-Four Million One Hundred Thousand Rand) is required for this purpose.

Due to limited resources in terms of budget availability and the nature of the Programme, it becomes impossible to implement the Programme exclusively on Council's financial provisions, hence, the eThekweni Municipal Academy often looks for other opportunities to acquire funding from other sources to close the funding gap. In responding to a query raised regarding the selection criteria to be used, it was advised that the recruitment of beneficiaries will follow a normal process as prescribed in the Recruitment and Selection Policy of the Municipality. The Committee having been advised that budget breakdown for the Programme would be provided in the next meeting of the Governance and Human Resources Committee.

COMMITTEE RECOMMENDS:

- 1.3.1 That authority be granted for the Head: EThekweni Municipal Academy to accept Discretionary Grant funding in the amount of R5 100 000.00 (Five Million One Hundred Thousand Rand) received from the Transport Education and Training Authority (TETA) to train 20 Apprentices in the electrical trade as part of Artisans Development Programme supporting eligible unemployed youth with desires to pursue career in electrical trade.
- 1.3.2 That the Head: EThekweni Municipal Academy submits to the Governance and Human Resources Committee a Report comprising costs breakdown to determine training costs per person to be trained under the Artisans Development Programme.

The funding support by the Transport Education and Training Authority (TETA) to train 20 Apprentices in the electrical trade as part of Artisans Development Programme was greatly appreciated. This was to contribute in reducing youth unemployment whilst increasing a pool of skilled incumbents to also support varied needs of the Municipality.

Accordingly, the above recommendations of the Executive Committee were, ADOPTED.

- 1.4 Request for Additional Budget for City Hall Building Renovations:
(Page L107: Governance and Human Resources Committee - Agenda 2023-11-08)

The Committee received update report on the City Hall building renovations requirements, as well as progress with respect to the implementation of the previously approved funded City Hall projects. A request was also submitted for the allocation of additional funding required to supplement budget variance on various previously approved City Hall projects. With regard to the renovations to be undertaken, comprehensive building conditional assessment was undertaken and detailed report highlighting high-risk areas as well as major upgrades required was thereafter formulated. In terms of funding, the City Administration Unit has managed to secure funds for the renovations and approved budget for key projects has been spread over a 36-month period, starting from the current financial year.

The City Hall renovations projects as well as other repairs & maintenance required will be implemented through the Architecture Department Contract Framework Panel i.e., CSA3119 - Architecture Capital Maintenance Framework Panel; CSA3232- Architecture Capital Framework Panel; New Buildings and CSA3080 -

Framework Contract for the Supply, Installation of Aircon and Refrigeration Equipment. A summary of the scope of works and relevant information is as indicated below:

- City Hall Main Auditorium Storm Damage Repairs:**
 This project will be implemented through Contract No. CSA3119 and the scope of work aims to rectify extensive storm damage inflicted upon the City Hall Auditorium roof, ceiling and floorboards. Currently, there is insufficient funding to cover total costs of the project. The duration of the project is expected to be a 12-month period, but the start date is subject to confirmation of the total budget for the project.
- City Hall Administration & Cultural Block Roof Repairs:**
 This project will be implemented through Contract CSA3119. The scope of work entails renovations to the roof and ceiling. Currently there is no funding for this project. The project is expected to be implemented over a 12-month period in 2024/25.
- New MV Substation:**
 This project will be implemented through Contract CSA3232 and the scope of work entails construction of new MV substation and repairs to HVAC chiller plant. The aim is to ensure uninterrupted functioning of essential utilities / power supply within City Hall. Once again, there is a challenge of insufficient funds to cover total costs of the project. The project is expected to be implemented over a 15-month period. The start date is subject to confirmation of total budget for the project.
- Aircon/Ventilation Upgrade (Air- Handling Units):**
 This project will be implemented through Contract No.: CSA3080 and the scope of work entails upgrade of aircon ventilation and air handling units. The project timeline is expected to be over a 7-month period and the start date is subject to confirmation of total budget for the project.
- Domestic Pipes & Fire Hydrants Upgrade:**
 This project will be implemented through Contract CSA3119. The scope of work entails domestic pipes and fire hydrants upgrade, which is a critical component of the building infrastructure. The project timeline is approximately 8 months, with an anticipated start date of February 2024.

The procurement process for the abovementioned 3 framework panels has been finalised and letters of award issued to successful contractors. The Unit is now awaiting approval of additional funds to cater for budget variance. The schedule below provides synopsis of approved budget per financial year; projected cashflow; budget variance and total costs to Council for the approved projects that however do not have adequate budget to cover total costs.

Capital Budget Description	Cost to Council (incl Fees, Escal, 10% Cont. excl VAT)	Expenditure to Date Packaging/ Fees	2023 - 2024			2024 - 2025			2025 - 2026		
			Budget	Cashflow	Surplus/ (Deficit)	Budget	Cashflow	Surplus/ (Deficit)	Budget	Cashflow	Surplus/ (Deficit)
	R	R	R	R	R	R	R	R	R	R	R
City Hall Substation Upgrade	23,845,310	828,253	8,200,000	4,314,909	3,885,091	13,000,000	18,458,514	- 5,458,514	5,000,000	243,634	4,756,366
Storm Damage Repairs Auditorium	19,764,000	190,000	11,300,000	11,300,000	-	-	8,274,000	- 8,274,000	-	-	-
Domestic Pipes & Fire	3,255,729		1,096,000	840,405	255,595	3,904,000	2,415,324	1,488,676	-	-	-
Aircon HVAC Upgrade	24,097,378	423,545	6,000,000	6,056,115	- 56,115	6,000,000	16,466,785	-10,466,785	10,000,000	1,150,933	8,849,067
Sub-Total	70,962,417	1,441,798	26,596,000	22,511,429	4,084,571	22,904,000	45,614,623	-22,710,623	15,000,000	1,394,567	13,605,433
Storm Damage	6,000,000				-			-		6,000,000	- 6,000,000

The capital projects that currently have partial budgets are essential to resolve identified building risks and building regulatory compliance factors highlighted in the Conditional Assessment Report. Furthermore, essential ancillary renovations are required to ensure adequate functionality and safety within the building. Accordingly, renovation of critical electrical fixtures, security equipment and upgrade of old plumbing works need to be catered for, as well as the Unit's essential projects that will enable the management of Municipal records in compliance with the relevant legislative requirements and good governance. The Committee was advised of consultation undertaken with AMAFA Institute responsible for renovations of heritage buildings.

During discussion at the Executive Committee level, it was agreed that the City Hall Building upgrade work is required and important to achieve operational and safety standards. However, at the same time, cognisance was taken of the fact that quite a number of projects have been implemented to upgrade the City Hall Building in the past. Therefore, as part of playing effective oversight, the Committee requested a comprehensive Report on the state of upgrade; repairs; and maintenance work undertaken in City Hall in the past, as well as budget spent in this regard.

On this basis, and with the Committee being in support of the request for additional funding to cover the City Hall Building upgrade projects for the three (03) financial years, as listed in the table above,

COMMITTEE RECOMMENDS:

- 1.4.1 That Council notes projects to be undertaken in the City Hall Building following the outcome of the building conditional assessment undertaken, and which projects include, City Hall Main Auditorium Storm Damage Repairs; City Hall Administration & Cultural Block Roof Repairs; New MV Substation; Aircon/Ventilation Upgrade (Air- Handling Units); and Domestic Pipes & Fire Hydrants Upgrade, with the projects scope to be spread over a 36-month period, but with varied start and completion dates, it being recorded that there is budget shortfall, as outlined in the financial implications table contained in the preamble above, and thus a request for additional funding impacting two financial years, i.e. 2024-25 and 2025-26, to complete work in accordance with projects specifications and timelines.
- 1.4.2 That, in view of .1 above, authority be granted to set aside an amount of R33 710 623.00 (Thirty-Three Million Seven Hundred and Ten Thousand Six Hundred and Twenty-Three Rand) to be provided for in the 2024/2025 financial year to cater for budget variance identified, as outlined in the financial implications table contained in the preamble above.

- 1.4.3 That, given that other projects would have been completed in the last financial year, an amount of R2 394 567.00 (Two Million Three Hundred and Ninety-Four Thousand Five Hundred and Sixty-Seven Rand) be provided for in the 2025/2026 financial year to cater for budget variance of the remainder of the projects to be completed at this stage, as outlined in the financial implications table contained in the preamble above.
- 1.4.4 That authority be granted for the Deputy City Manager: Finance to consider, during draft budget preparation stage, additional funding required for the City Hall Building projects, it being noted that implementation of the previously approved City Hall capital projects will commence upon the provision of the required additional funding.

Financial Implications:

There is insufficient capital budget for the City Hall Building critical renovations and, as such, additional funding in the amount of R33 710 623.00 in the 2024/2025 financial year and R2 394 567.00 in the 2025/2026 financial year is required. This will cover budget variance for capital projects to be implemented during the 3 financial years, starting from the current financial year.

During discussion, several Council members emphasised the importance of prioritizing the City Hall upgrades. That expert contractors be secured to undertake renovations in an appropriate manner given that City Hall is the heritage building with historical significance. Further, that the City Hall precinct is one of the attractions serving as a drawcard for tourists and visitors. The upgrade was also considered to assist the Municipality to generate income when hiring out the Main Auditorium, also saving costs of taking the Council meetings outside the City Hall.

The attention of Council was drawn to the fact that funding secured will focus on specific projects as outlined, but that further funding is still required to rehabilitate the City Hall into its former glory. The utilisation of the Inkosi Albert Luthuli International Convention Centre for the Council meetings was not considered a loss, but a necessary contribution to this institution which is an entity of the Municipality, with the funds therefor circulating inhouse.

With there being a unanimous support, the recommendations of the Executive Committee were **ADOPTED.**

DIRECT EXCO REPORTS

2. RECRUITMENT PLAN OF SECTION 56 POSITIONS FOR ETHEKWINI MUNICIPALITY (4/3/2)

(Page 1)

During consideration, the Executive Committee noted that the eThekweni Municipality has developed a recruitment plan for Senior Management positions directly accountable to the City Manager. That the plan would assist the Municipality to comply with legislative requirements in relation to advertising posts, recruitment process and appointment thereof. Currently, three (03) vacancies exist, namely, the posts of Deputy City Manager: Economic Development & Planning (DCM: ECOD); Deputy City Manager: Human Settlements, Engineering & Transport (DCM: HSET) and Chief Operations Officer (COO). Mention being made that these were critical positions towards effective service delivery of the Municipality hence the need to have suitable incumbents to maintain stability and sustainability.

It was noted that administrative processes were underway with regards to filling the post of the DCM: ECOD. However, it was advised that posts of the DCM: HSET and COO were currently held in abeyance in view of the requirements to amend the organogram as per the Department of Cooperative Governance and Traditional Affairs Municipal Staff Regulations which requires every Municipality to review the staff establishment to align with the Regulations. The Committee noted that the process of reviewing the organisation structure is currently underway.

It was noted that to fill vacancies, a pre-employment background screening and verification will be conducted on the following descriptors but not limited to criminal record; qualifications (Secondary and Tertiary Qualifications); driver's license; identity verification; professional membership verification; previous employment confirmation; references; international institution qualifications, and credit history.

During discussions, Members acknowledged internal processes being undertaken to review the organogram. However, they felt that the process was slow paced indication given that the positions have been vacant for more than a year, in this regard, the reasons for delays in filling of the positions being queried. Emphasis also being made that this result in prolonged acting appointments of critical senior positions within the Municipality.

However, Management advised of the ongoing various stakeholder engagements currently underway to solicit inputs on the organogram review to enable compliance with the Local Government: Staff Regulations of 2021. That upon conclusion the entire process, a report will be submitted to Council.

With the Committee noting the recruitment process plan for Senior Managers directly accountable to the City Manager,

COMMITTEE RECOMMENDS:

- 2.1 That Council notes a circular from the Provincial Department of Cooperative Governance and Traditional Affairs (COGTA) relating to Section 56 vacant positions as per the directive by the MEC for COGTA that the circular as attached to the Report of the City Manager dated 2023-10-18, be noted accordingly by the Municipal Council and subsequently submit updated recruitment plan to COGTA.
- 2.2 That subject to 1. above, that Council notes the updated recruitment plan of Section 56 positions for eThekweni Municipality which, in certain parts aims to achieve the necessary compliance requirements with the Local Government Staff Regulations: 2021 by COGTA, it being recorded that the plan will be submitted accordingly to COGTA.

Senior Management Vacancy Status:

The following posts are Section 56 positions in the Municipality:

ACTION	TIMEFRAME	DCM: Economic Development and Planning Cluster
Municipal Manager advertises the post in a national newspaper.	Within 14 days of Council approving the filling of vacant post.	Post advertised on 30 December 2022.

Closing date of the advert.	After 14 days but not more than 30 days from the date the advert appeared in national newspaper.	The post closed on 20 January 2023.
Shortlisting of applicants	Within 30 days of the closing date of the advert	02 November 2023.
Screening of candidates	Within 21 days of finalizing the shortlisting of candidates	20 November 2023
Interviews	Within 21 days of finalizing	30 November 2023
Competency assessments	No timeframe in Regulations	05 December 2023
Council Resolution appointing the successful candidate	No timeframe in Regulations	14 December 2023
The Council to submit a written report to MEC	Within 14 days of the Council decision	22 December 2023
Servicing a month Notice	30 days' Notice for external candidate	01 February 2024 (External Candidate) 01 January 2024 (Internal Candidate)
		DCM: Human Settlements, Engineering and Transport Authority Cluster
Post to be filled within 06 months it became vacant	Post became vacant on 01 May 2023	Post awaiting the finalization of the restructuring process as regulations recommend one position for the provision of Municipal Public Works and basic services to communities.
		Chief Operations Officer
Post to be filled within 06 months it became vacant.	Post became vacant on 01 October 2022	Post awaiting the finalization of the restructuring process as regulations recommend one position to provide support to the Office of the Municipal Manager.

NOTED.

3. UPDATE REPORT ON THE OUTCOMES OF THE REDETERMINATION OF BOUNDARIES OF ETHEKWINI MUNICIPALITY BY THE MUNICIPAL DEMARCATION BOARD (21/1)

(Page 15)

The Municipal Council is required to note the outcome of consultation process led by the Municipal Demarcation Board on proposed redetermination of boundaries of eThekweni Municipality,

It was recalled that in its meeting of April 2023, the Municipal Council registered its objection to all proposed changes in boundaries of eThekweni Municipality. Therefore, in line with Section 26 and 27 of the Municipal Demarcation Act of 1998, the Municipal Demarcation Board requested all Municipalities to convene consultation meetings with communities affected as well as formal investigation hearings.

In this regard, various consultations were held in the Western and Southern Region. However, it should be noted that no consultations have been convened thus far in the Northern Region of eThekweni. These engagements incorporated Wards and PR Councillors affected, Traditional Council, various Municipal departments, Community Members and relevant stakeholders. The Municipality maintains its decision to object all proposed removal of major economic hubs of the Municipality from eThekweni and accept areas moving into eThekweni.

A summary of the outcome of the consultation process on proposed redetermination of Municipal boundaries is contained under the recommendations below.

Accordingly,

COMMITTEE RECOMMENDS:

- 3.1 That Council notes process undertaken by the Municipal Demarcation Board thus far in terms of consultation on the proposal to alter Municipal boundaries as proposed by various interested parties, and with specific outcome in this regard recorded under Table A below.
- 3.2 That Council confirms its decision of April 2023 and re-register its objections regarding the relocation of certain parts of eThekweni Municipality to various neighbouring Municipalities.
- 3.3 That in view of .2 above, Council requests the Municipal Manager to submit a formal communique to the Municipal Demarcation Board by or before 30 October 2023 reaffirming its objection to relocating some of the eThekweni Municipal areas to neighbouring Municipalities.
- 3.4 That authority be granted for the Speaker and the Municipal Manager to continue participating on the Municipal Demarcation Board process until its conclusion in 2024.
- 3.5 That the Speaker and the Municipal Manager interact with the leadership of Ndwedwe Local Municipality, KwaDukuza Local Municipality, UMsunduzi Local Municipality and uMgungundlovu District Municipality in order to arrive at mutually beneficial conclusions on the proposed outer boundary amendments.

TABLE A

SUMMARIES AND OUTCOMES ON THE REDETERMINATION OF BOUNDARIES NORTHERN AND WESTERN REGION					
PROPOSED DEMARCATION AREAS (DEM)	Public Consultative Meeting	MDB and eThekweni Traditional Leadership Council Meeting	Formal Investigation Hearings	Key Conclusion from eThekweni Municipality	Supportive Documents
A: NORTHERN REGION PROPOSED REDETERMINATION: DEM 4011 KwaDukuza LM, DEM 4015 Ndwedwe LM supported by iLembe District Municipality					
1. DEM 4011 Proposed redetermination of KwaDukuza LM	No prior community consultations between the interested and affected parties	No prior consultations between the interested and affected parties and the Traditional	The affected Traditional Authorities, the AmaQadi rejects the MDB proposal and recommended an	eThekweni Municipality to the pr	Council Report objecting on the MDB Boundary

(KZN292), iLembe DM (DC29) and eThekweni Cat C by excluding ward 58 and 62 from eThekweni Cat C and include them into the municipal area of KwaDukuza LM (KZN292), iLembe DM (DC29) Ward 58, Ward 61, 62		authorities. Governance Committee engaged with Traditional Leaders on their request.	<p>improved consultation process with the TAs and other stakeholders such as the ITB, KZNCOGTA, the Human Settlements, Land Invasion Units to also address other long-outstanding matters.</p> <p>The Economic Development, the Human Settlements and Infrastructure Clusters made substantive presentations to object to the proposals.</p> <p>In summary, there are imminent implications to the current Service Delivery Plans, Infrastructure Development, Investment and Economic Planning, Social Impact and Traditional Governance thus the proposals is not supported.</p> <p>In addition, the MDB Process Approach limited timeframes created serious gaps to ensure meaningful and broader participation of all critical stakeholders.</p> <p>Noting the issues raised by the AmaQadi Traditional Authority, eThekweni Municipality committed to work together with the Council and strengthen good working relationship with the Traditional Authority and open necessary platforms to engage further on other outstanding issues including matters pertaining to redetermination of Boundaries as per the MDB.</p>	redetermination boundaries	<p>Demarcation, April 2023</p> <p>Presentation by the MDB on the Process Plan</p> <p>eThekweni Municipality Detailed Presentations at the MDB Formal Investigation Hearings October 2023</p> <p>Letters from the interested parties iLembe and KwaDukuza to eThekweni Municipality to engage on the Boundary Redeterminations</p>
2. DEM 4015 Proposed redetermination of municipal boundaries of eThekweni Cat C (ETH), Ndwedwe LM (KZN 293) and iLembe DM (DC29), by excluding the town of Tongaat and Hazelmere Dam from the municipal area of eThekweni Cat C (ETH) and by including them into the municipal areas of Ndwedwe LM (KZN293), and iLembe DM (DC29). Ward 60, 61	No prior community consultations between the interested and affected parties	No prior consultations between the interested and affected parties and the Traditional authorities	The Economic Development, the Human Settlements and Infrastructure Clusters made substantive presentations to object to the proposals.	eThekweni Municipality objects to the proposal of the redetermination of boundaries.	
B: WESTERN REGION PROPOSED REDETERMINATION: DEM 4520_2 (KZNCOGTA), DEM 7351; DEM 7352, DEM 7353(Mkhambathini and uMgungundlovu)					
3. DEM 4520_2 Proposed redetermination of the municipal boundaries of Mkhambathini	No prior community meetings undertaken	No meetings between MDB, Traditional Authority and eThekweni	KZNCOGTA as an interested party did not attend the meeting. All affected parties attended the formal investigation	eThekweni supports the proposal to include Mkhambathini	Council Report objecting on the MDB Boundary Demarcation, April 2023

Local Municipality (KZN226), uMgungundlovu District Municipality (DC22) and eThekweni Metropolitan Municipality (ETH) by excluding Mkhambathini Local Municipality (KZN226) from the municipal area of uMgungundlovu District Municipality (DC22), and by including it into the municipal area of eThekweni Metropolitan Municipality (ETH). Ward 1, 5, 96,105			<p>hearing of DEM4520_2, there we all were given an opportunity to submit their views and presentations. Mkhambathini and uMgungundlovu municipality objected the proposal based on the reasons that they are intending to secure the current development that is currently taking place, and they are intending to extend their municipality.</p> <p>eThekweni supports the proposals based on the significant futuristic National, Provincial and its own Metro Plans to develop the spaces in question into a Region</p>	<p>into eThekweni Municipality.</p> <p>The eThekweni Municipality awaits further process led by KZNCOGTA to take forward the proposal</p>	<p>Presentation by the MDB on the Process Plan</p> <p>eThekweni Municipality Detailed Presentations at the MDB Formal Investigation Hearings October 2023</p> <p>Letters from the interested parties uMgungundlovu District and Mkhambathini Local Municipalities to eThekweni Municipality to see on the Boundary Redeterminations</p>
4. DEM 7351 To move Khayelihle High School, Felokwakhe Mkhize (Ezigeni), Powers Court Primary School, Esikhukhukhu Combined Primary School, and Amandlakhe Combined Primary School voting districts from the municipal area of eThekweni Municipality and be included in the area of uMkhambathini Municipality. Ward 105 and Ward 96	The Community of Mbotimuni, Ward 105 and Ward 96 raised dissatisfaction around poor service delivery they receive from eThekweni municipality, amongst them they raise issue poor provision of water and sanitation, support on community garden projects, electricity, proper roads, provision of houses, lack of assistance during 2022 floods victims, poor communication between the Ward Councilor and the community.	Leadership and Authority of Mbotimuni and community at large confirmed and agreed that they support the proposal to the Demarcation Board to move them from eThekweni Municipality to uMkhambathini Municipality.	<p>The leadership of uMkhambathini presentation confirms their interest in the redetermination of the areas as identified.</p> <p>The Economic Development the Human Settlements and Infrastructure Clusters presented the current and future growth and investment plans in the Western Region substantiating the positioning of the areas in questions in the national, provincial and regional economy.</p> <p>A formal letter from uMkhambathini to engage further with the eThekweni Municipality has been lodged</p>	<p>eThekweni objects to the proposal for the redetermination of the current boundaries.</p> <p>A formal Letter from the interested municipality/ies Mkhambathini and Umgungundlovu District to engage further on the matter now lodged with eThekweni Municipality.</p>	
5. DEM 7352 To exclude Mophela Primary School voting district from the municipal area of eThekweni Metropolitan Municipality (ETH) and by including it into the municipal areas of Mkhambathini Local Municipality (KZN226) and Umgungundlovu District Municipality. Ward 5]	Governance Cluster facilitated a meeting as per the Amakhosi request to discuss the MDB proposals. The Traditional Leaders under the eThekweni Municipality reject the proposals for redetermining the boundaries and raised sharply their concern on the poor consultation of relevant stakeholders by the MDB on these determinations.	The ECOD Chairperson supported by the Kwa-Ximba Traditional Leaders raised matters on the implications to the traditional authority boundaries, voting district matters, service delivery matters, lack of clarity on the delineated boundaries substantiating the need to keep the current boundaries as is.	<p>eThekweni objects to the proposal for the redetermination of the current boundaries.</p> <p>A formal Letter from the interested municipality/ies Mkhambathini and Umgungundlovu District to engage further on the matter now lodged with eThekweni Municipality.</p>	
6. DEM 7353 uMkhambathini Local Municipality: The proposed boundary is from R103 parallel to N3 From Central of	No prior community consultations between the interested and affected parties		There are no clear maps from the MDB delineating the Traditional Areas affected by the redetermination making the discussion of the matter confusing.	eThekweni objects to the proposal for the redetermination of the current boundaries.	

Camperdown, partly belong to uMkhambathini Municipality and partly belong to EThekweni Municipality therefore causes confusion in terms of service delivery. Mandate of the proposed boundary was to plead with MDB to align boundary with George Dale. Ward 1			The Economic Development the Human Settlements and Infrastructure Clusters presented the current and future growth and investment plans in the Western Region substantiating the positioning of the areas in questions in the national, provincial and regional economy.	A formal Letter from the interested municipality/ies Mkhambathini and uMgungundlovu District to engage further on the matter now lodged with eThekweni Municipality.	
--	--	--	--	--	--

ADOPTED.

4. REQUEST TO AUTHORISE THREE (03) YEAR DESTINATION PROMOTION LEVERAGING PARTNERSHIPS WITH VARIOUS EVENT ORGANISERS (20/1/4/1)

(Page 177)

Authority is sought to enter into a 3-year partnership with various Event Organisers to leverage destination promotion thereby profiling the City of eThekweni. For the proposed partnership to yield desired results, the City Manager would have to negotiate strategic deliverables to achieve partnership mileage commensurate with financial investments to be made with respective Event Organisers thereby obtaining appropriate Return on Investment.

As a way of background, the eThekweni Municipality strategically positions the City of Durban as premium tourism destination as well as events and sporting capital in South Africa. The key focus in partnering with Event Owners is to leverage and promote the Durban Brand for local economic development thereby growing economy and creating job opportunities as part of the objectives of the Economic Development and Planning Cluster of the Municipality.

To achieve fairness and transparency in securing service providers to partner with, Durban Tourism embarked on a competitive bidding process for this purpose. Accordingly, the eThekweni Municipality, through Durban Tourism, will partner and leverage off the events listed in the Table below:

Event	Event Description
Durban Spring Break	A family fun oriented full day event hosted inside the Ushaka Marine World (UMW) Water Park. It is aimed at promoting the Park and support its marketing and awareness to attract more footprint beyond the event date.
Umhlanga 10km Run	To promote the Umhlanga Rocks precinct and showcase the areas as a tourist and business hub. Incorporating the 10km race by running through the main areas and unique landmarks at Umhlanga Rocks. With the participation of different international teams, the event attracts domestic and international visitors to the destination. The event promotes sports tourism with visitor dispersal to other precincts (tourism and sporting) within the destination
Township and Rural Tourism Promotions	These are destination promotion activations that are staged in various parts of the City to promote rural and township tourism. They are conceptualized by Durban Tourism with the nine (09) regional Community Tourism Organisations (CTOs). This yields benefit of visitor dispersal to township and rural tourism products; multiple Artist at all levels benefits and Small Businesses in tourism activation value chain benefit.
Day Lounge Society	This is a daytime outdoor event which has a predominantly cosmopolitan market with a very high-end fashion influence and feel which speaks to all current trends showcasing the best that Durban has to offer with international standards of production and entertainment. The event is a lifestyle event with a local footprint.

Wayback Nostalgia Festival	The event is a unique and engaging celebration of local and international old school music. The festival aims to provide a nostalgic experience for attendees while celebrating the timeless classics that have shaped the music industry. The event is a music festival with a local footprint.
Anywhere in the City	A home brewed house music platform, shining the spotlight of local talent and exporting globally, Primary and secondary Living Standard Measure (LSM), mostly Durbanites, whole of SA
Thabiso Mchunu Boxing	International boxing tournament that is proposed to be hosted at Durban ICC, Sport event, International and local, 5000 number of people
9th Annual INK-KASI Experience	INK-KASI Experience is an annual music event that is on eThekweni social calendar, Music event, Local and other provinces.
Nickelodeon Slime Fest International Footprint	First launched in Australia, Slime Fest is a global Nickelodeon property and provides the ultimate music concert, 100% for kids, LSM 5-10, International, 6000 attendees.
Durban Beach Paradise (Covers 10 days during the festive season)	Aims to bring all higher LSM holiday makers and locals together during the weekend of the Durban July and December holidays. This event will assist in correcting the narrative for Durban beaches after the recent E.Coli challenges. It also aims at getting the different demographic to the Durban Beachfront and also profiling UShaka Marine and the restaurants along the golden mile who will benefit in the long run as the confidence to frequent our beaches will be enhanced.
Zulu Carnival	Carnival style Event celebrating Zulu culture and showcasing authentic Zulu experience and promotes social cohesion
Umhlanga Beach Volley ball and Soccer Tournament	This is a beach sports activation during festive to interact with visitors and the tourism capital of Durban, It is important to help with beach challenges in the beach.
Christmas with Ladysmith Black Mambazo	The Amambazo are a 4-time Grammy award winning group that also the world in representing the destination. In line with their genre and lyrics, they will be doing Christmas events, carols in the mood of festivities. The event aims to share the spirit of festivities which is one of the festive objectives the City seeks to achieve. It will also be a draw card to international as the group has an international footprint, in the USA, Europe and UAE. It is targeting 8000 attendees.
SASO's House	The event is an exclusive, high end, outdoor event that aims to capture the feel and essence of Durban as Africa's playground, during the festive season and selected public holidays. The event will take place at Kings Park Stadium, in the heart of the City to allow SASO's house to welcome more guests to join the festivities. The event is a lifestyle event with an international footprint. The event is targeting 2 000 attendees and LSM 8 - 10.
Umgababa New Year's Picnic	Ushering the New Year on the shores of Umgababa Beach, the event is expected to draw people from around KZN to enjoy this lifestyle event of the first day of the year and profile the South Coast. The benefits include delivery of public festivities, Marketing, branding, VIP area, logo tickets, social media.
MTV Music Awards and African Regional Roadshows	This is mega event owned by Paramount Group formally known as Viacom, the owners of MTV & BET TV channel. It has a huge international and African footprint and the last time Durban hosted it in 2015 it was hosted by American comedian and actor Anthony Anderson and draw card artist Ne-Yo. The event will have a pre-campaign of "Road to Durban MAMA" will give a huge exposure and attract like it recognizes African talent. The partnership will boost visitor numbers to the City, give huge media exposure, and also boost local tourism lounges in townships and rural areas. The local event promoters and creative industry will also benefit from build-up activations will be done locally towards the awards as well as after parties.
Kabza De Small One Man Concert	Live one-man concert in honour and celebration of the very best talent in the music industry. Event is a music event with a National footprint. Event is targeting 4500 attendees and LSM 8 - 10.
Durban Africa Bike Weekend Festival	This is a Bikers. Signature biking festival for the City of Durban that will firmly entrench Durban as the home of biking in South Africa. This event will not only attract the biking & spectator fraternity from around South Africa. The Durban Africa Bike Week consists of an enclosed precinct that will be a pedestrianized zone including a festival stage, festival beer garden, bike concourse and biking retail.
eThekweni Surf Pro	The World Surf League established in 1976, is the global home of surfing organisation with regional offices in North America, Latin America, Asia, Europe, and Africa, Global event.
Durban International Marathon	The event is a world athletics road race label event, the only label event in KZN, and one of only two label marathons in South Africa. The race comprises of a 10km and the icon premier 42.2km marathon that starts at Prospection and ends at People's Park. The event is a marathon with the National footprint. The event is targeting 1000 participants and all LSMs are targeted.
Gas Motor Show	Gas Motorshow is a celebration of car culture and South African lifestyle, Motorsport event, LSM 7-10 aged between 11 to 65, 20 000 patrons and 67% are from outside of Durban. It attracts a mixed demographics and car lovers into the City- high spender market.
eThekweni Jazz Jam	Exclusive live jazz music experience designed to enhance and diversity the renowned Durban jazz program and music event, LSM 6-10 aged between 21 – 55.
Mojos July Weekend	A Durban July event that promote township tourism experience in the west and boasts fashion, music and people elements of the glamorous, Music event, Local elite LSM.
White Party lifestyle Excursion	A 3-weekend days road show that brings about 200 to 300 high-end LSM to Durban. The combination of influencers, celebrities, travel media and travel social media bloggers as well as socialites that have a huge social media following and influence. It boosts various tourism attractions of Durban as they cover and tell their story of Durban excursion. It is the first and largest lounge open-air festival for music fans around the globe. It has build-up activations that are staged in about 4 tourism attractions for high LSM, music lovers

	and fans from all walks of the world connected, but most importantly connecting Africa, with a specially curated artist program. It has a unique niche to attract audience.
Artizen Durban July	A celebration of life, arts and music will be the order of the day. The theme will promote life without drugs and crimes. The event is a music event with a local footprint. Event is targeting 1500 attendees, LSM not indicated.
7th Annual Dj Bongz Social Link Musical Festival	Music Festival in the outer west area of Durban going for its 7th year since its inception in 2015. The event will attract 4000 people from around Durban Logo on all marketing collateral, branding rights, hospitality
Comrades Marathon	The Comrade's Marathon is an ultramarathon of approximately 89 kilometres which is run annually in the KwaZulu-Natal province of South Africa between the cities of Durban and Pietermaritzburg. It is the world's largest and oldest ultramarathon race.
KZN Music Imbizo	The Music Imbizo is an international music business conference, exhibition and film festival. The conference collects various music industry stakeholders under one roof to map the way forward for the music industry in the continent – Africa.
Dlala Tukzin	Dlala Tukzin is an iconic dance festival that takes place over three days. The event offers a social experience as well as boasts a line-up of local and national artists with an international footprint. The event attracts over 20 000 guests over the three-day period.
Anywhere in the City	A home brewed house music platform, shining the spotlight of local talent and exporting globally, Primary and secondary LSM, mostly Durbanites, whole of SA
KZN Memorium	The event is a one-day event in two different venues. A cleansing prayer and march from Gladys Manzi Road and ends at Gordon Park, the march is to cleanse KZN and Durban from the dark cloud and death in the music industry. The Memorium concert at People's Park is a celebratory music affair in honour of our fallen musician, music concert format. The event is a march and a concert with a local footprint. The event is targeting 6000 attendees and all LSM's.
Africa Unit Reggae Music Festival	The event is centered around reggae music and aimed at promoting reggae music, artists and culture and mostly spread the message of love and black people's pride and celebrate black heroes who fought for freedom and preservation of the black culture. The event is a music event with a local footprint. The event is targeting 8000 attendees and a high LSM.
African Throne	Music society is one of the freshest trending events in Durban that is all about giving out music in the township while creating opportunities for the local community from local artists, entrepreneurs, tourism products etc. Event is a music event with a local footprint. Event is targeting 1500 attendees and a high LSM category.
Woz' eDurban	Attracts high LSM from Gauteng and other provinces to come to Durban during the Festive Season. It renders an opportunity to local entertainment artists targeting hotel visitors to experience various options.
Any Given Sunday	A four-edition national roadshow of Durban destination brand building. This is concluded by a grand finale to Durban to a 2-day Durban explore extravaganza. It is packaged with various accommodation establishments, tour guides, tour operators, and shuttle services to promote various tourism precincts of the City, including township.
Durban Jazz Festival	This is a flagship event in Durban that attracts 15 000 hosted at Hazelmere Dam with an outdoor overnight flavour. As part of the growing and expanding to attract higher LSM and up-market hence expand to a 2 day episode of Hazelmere dam then another one to the Durban ICC with an international act.

During discussions, the DA reiterated a need to separate items to determine significance for each and justification of expenditure associated therewith. They cited difficulty to approve events in a blanket approach in view of some being justified and others viewed as unjustified and thus not supported. Therefore, in view of events being clustered in its current format, the DA (02) dissented on the matter. Meanwhile the IFP (01) abstained, and with the ANC (04) being in support,

COMMITTEE RECOMMENDS:

- 4.1 That authority be granted for the Deputy City Manager: Economic Development and Planning to enter into a 3-year partnership agreement, i.e., 2023-2026, with various Event Owners/Organizers, with a view to leverage destination promotion to profile the City of Durban to attract tourists; visitors; and investors for improved local economic growth.
- 4.2 That subject to the approval of .1 above, the City Manager be mandated to engage in robust destination promotion and event leveraging to enhance and protect the City's competitive edge and lead Durban back to being a leading Events City and Tourism Destination.
- 4.3 That authority be granted for the City Manager to negotiate appropriate Return on Investment partnership mileage for event leveraging commensurate with financial investments to be made with respective Events Owners/Organizers.

4.4 That authority be granted for the City Manager to enter into contractual agreements with various Event Organizers secured for the purpose of Destination Promotion Leveraging Partnership.

4.5 That Council grants authority to effect destination promotion leveraging event partnership contract variations with some of the already contracted service providers for the festive season events, and thus sign addendum agreement, to derive additional destination promotion leveraging benefits to attracts more visitors.

Financial Implications:

Tables	Year 1 (2023/2024)	Year 2 (2024/2025)	Year 3 (2025/2026)
A	R20 500 000.00	R16 650 000.00	R17 950 000.00
B	R0.00	R7 100 000.00	R6 650 000.00
C	R2 450 000.00	R1 250 000.00	R0.00
Total Financial Implications	R22 950 000.00	R25 000 000.00	R24 600 000.00

BU	ITEM.SUB	FUND	COSTING	PROJECT	REGION
26723	Various	12020	0000	Various	0010
26722	16315	12020	0000	53500-12	0010

FC No.: 2024/13/11

Proposed Destination Programme Partnership Leveraging:

Below is the schedule of destination promotion programmes:

Table A: 2023/2024; 2024/2025 and 2025/2026 Financial Year (3 years)

No.	Event Name	Event Date	Amount Requested	Amount Recommended		
				Year 1 2023/2024	Year 2 2024/2025	Year 3 2025/2026
1.	Durban Spring Break	December 2023	R950 000.00	R1 200 000.00	R600 000.00	R1 000 000.00
2.	Umhlanga 10KM Run	November 2023	R600 000.00	R0.00	R300 000.00	R300 000.00
3.	Township and Rural Tourism Promotions	In various times of the year from Dec to June 2024	Internally Durban Tourism Diven	R2 000 000.00	R0.00	R0.00
4.	Day Lounge Society	16 December 2023	R1 500 000.00	R450 000.00	R450 000.00	R450 000.00
5.	Wayback Nostalgia Festival	December 2023	R0.00	R400 000.00	R400 000.00	R400 000.00
6.	International Legends Jams in Mzansi	December 2023	R3 000 000.00	R1 000 000.00	R800 000.00	R1 000 000.00
7.	Anywhere in the City	December 2023	R2 650 000.00	R1 700 000.00	R1 700 000.00	R1 700 000.00
8.	Thabiso Mchunu Boxing	01 December 2023	R870 000.00	R450 000.00	R450 000.00	R450 000.00
9.	9 th Annual INK-KASI Experience	16 December 2023	R5 074 650.00	R800 000.00	R800 000.00	R800 000.00
10.	Nickelodeon Slime Fest International footprint	01 December 2023	R0.00	R1 000 000.00	R800 000.00	R1 000 000.00

11.	Durban Beach Paradise (over 10 days in festive season)	December 2023 – January 2024	R2 400 000.00	R800 000.00	R700 000.00	R800 000.00
12.	Zulu Carnival	December 2023	R5 000 000.00	R1 000 000.00	R1 000 000.00	R1 000 000.00
13.	Umhlanga Beach Volley Ball and Soccer tournament	December 2023	R500 000.00	R300 000.00	R0.00	R0.00
14.	Christmas with Ladysmith Black Mambazo	December 2023	R3 350 000.00	R800 000.00	R550 000.00	R550 000.00
15.	SASO's House	January 2024	R1 000 000.00	R400 000.00	R400 000.00	R400 000.00
16.	Umgababa New Year's Picnic	01 January 2024	R0.00	R1 000 000.00	R1 000 000.00	R1 000 000.00
17.	MTV Music Awards and African Regional Roadshows	February or March 2024	R10 000 000.00	R4 500 000.00	R4 500 000.00	R4 500 000.00
18.	Kabza De Small One-Man Concert	March 2024	R1 500 000.00	R800 000.00	R800 000.00	R800 000.00
19.	Durban Africa Bike Weekend Festival	April 2024	R2 500 000.00	R500 000.00	R500 000.00	R500 000.00
20.	EThekweni Surf Pro	April 2024	R0.00	R300 000.00	R300 000.00	R300 000.00
21.	Durban Internal Marathon	April 2024	R1 760 000.00	R500 000.00	R500 000.00	R500 000.00
22.	Gas Motor Show	June 2024	R6 800 000.00	R600 000.00	R600 000.00	R500 000.00
TOTAL BUDGET PER YEAR				R20 500 000.00	R16 650 000.00	R17 950 000.00

TABLE B: 2024/2025 and 2025/2026 Financial Year (2 years):

No.	Event Name	Event Date	Amount Requested	Amount Recommended	
				Year 1 2024/2025	Year 2 2025/2026
1.	EThekweni Jazz Jam	July 2024	R16 787 000.00	R1 000 000.00	R500 000.00
2.	Mojos July Weekend	July 2024	R1 500 000.00	R950 000.00	R450 000.00
3.	White Party Lifestyle Excursion	July 2024	R500 000.00	R800 000.00	R1 100 000.00
4.	Artizen Durban July	July 2024	R400 000.00	R200 000.00	R200 000.00
5.	7 th Annual DJ Bongz Social Link Music Festival	August 2024	R2 136 932.00	R400 000.00	R400 000.00
6.	Comrades Marathon	August 2024	R3 428 600.00	R750 000.00	R750 000.00
7.	KZN Music Imbizo	August 2024	R2 750 000.00	R300 000.00	R500 000.00
8.	Dlala Tukzin	September 2024	R640 000.00	R650 000.00	R600 000.00
9.	Anywhere in the City	July 2024	R2 650 000.00	R1 000 000.00	R1 000 000.00
10.	KZN Memorium	October 2024	R807 500.00	R350 000.00	R400 000.00
11.	Africa Unit Reggae Music Festival	September 2024	R2 400 000.00	R250 000.00	R250 000.00
12.	Africa Throne	September 2024	R2 500 000.00	R500 000.00	R500 000.00
2024/2025 AND 2025/2026 FINANCIAL YEARS (TOTAL)				R7 100 000.00	R6 650 000.00

TABLE C:

Contract Variations for adjustments to contracts through addendums funded through savings state that existing contract: Year 1 (2022/2023); Year 2 (2023/2024) and Year 3 (2024/2025)

No.	Event Name	Event Date	Current Contract	Contract Variation	
				Year 2 2023/2024	Year 3 2024/2025
1.	Woz' eDurban	31 December 2023 and 01 January 2024	R1 500 000.00	R1 000 000.00	R800 000.00
2.	Any Given Sunday	Festive Season 2023 and July 2024	R650 000.00	R450 000.00	R450 000.00
3.	Durban Jazz Festival	27 December 2023	R2 000 000.00	R1 000 000.00	R0.00
CONTRACT VARIATION FINANCIAL IMPLICATIONS (TOTAL)				R2 450 000.00	R1 250 000.00

During discussion, the DA reiterated its concern regarding the clustering of events. That this approach makes it difficult for members to rate each event according to its significance and also measuring the return on investment. Further, that this approach deprives members from exercising effective oversight and taking accountability. Meanwhile, the ADEC felt that with the City facing dilapidated infrastructure, therefore, in the interim focus should be on infrastructural restoration.

On the other hand, the ANC referred to the impact of the Covid-19, in particular to the tourism sector. Attracting events was therefore considered crucial to revive and sustain the tourism sector. Confirmation was given that a competitive bidding process has been undertaken to select event organizers to partner with the Municipality for destination promotion through Durban Tourism.

Thereafter, as some members were not in support of the recommendations, the matter was put to the vote. With 171 Councillors present, 119 Councillors (ANC - 90, EFF – 16, IFP- 0, ABC – 02; ACDP – 02; DLC – 00; APF – 01; AIC- 02; ATM - 01; ALJAMAH – 00; JEP - 00; KZNI – 01, MOSA- 00, NFP - 01; PFP – 00, PRM – 01, TA- 00, UIM – 01 and VF-Plus - 01) voted in favour of the recommendations and 03 Councillors (Action SA -02 and ADEC – 01) voted against the matter. 49 Councillors (DA – 46, ACC- 02 and MF – 01) abstained on the matter.

Accordingly, the above recommendations were, by a majority vote, **ADOPTED.**

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

SECOND REPORT OF THE EXECUTIVE COMMITTEE

(Meeting held 2023-12-07)

PRESENT : Executive Committee Members TM Kaunda (Mayor and Chairperson), ZP Myeni (Deputy Mayor), A Beetge, Y Govender; TM Mthethwa, OB Mvubu, BT Ntuli and ZR Sokhabase.

ABSENT : Executive Committee Members NI Madlala (Municipal Business) and MS Nkosi (Personal Commitments).

1. REPORT OF THE FINANCE COMMITTEE: MEETING HELD 2023-11-22.

(Page R1)

1.1 Budget Statement Report for the Month Ending 31 October 2023 (7/1/4)
(Page 47: Finance Committee - Agenda 2023-11-22)

The Committee noted the overall financial performance analysis of the Municipality as at the end of October 2023. The actual operating revenue of 100% of the year-to-date budget, with a variance of 0%, and revenue generated was sitting at 35,7%, when compared to the original budget. The actual operating expenditure was reported as a percentage of year-to-date budget figure of 93% with a variance of -7%, and the operating expenditure spent to date sitting at 31,1% when compared to the original budget. The capital expenditure was reported to be sitting at 55% of the budget and with a variance of - 45%. The capital year to date spent was reported to be sitting at 11, 8%. The cash collection rate of 88,09% was considered lower when compared to same period in the previous year (89%), it being noted that the October collection rate dropped to 88% because of irregular billing for water and annual rates that were due in October which payments were not received from most annual rate payers.

Thereafter, the Committee was unanimously in agreement that stringent plans be set in motion to address what was strongly articulated as a crisis due to water and electricity distribution losses, which culminate to loss of revenue, more predominantly the reported 55, 61% for water losses. A submission being made that vigorous actions be implemented to increase revenue collection and for curbing of illegal connections, further that the Municipality should improve its response turnaround time for water leaks and burst pipes. A proposal also being made for standpipes to be installed only in areas where there is no water infrastructure. It being cited that the water loss was a major challenge being faced by the City, with Umngeni-uThukela Water anticipated reduction of 10% in distribution which poses a risk for the City to face further water shedding. A concern also being raised that new developments might not be considered due to water security issues and with those who have already invested in the City being compromised in this regard, which was viewed as a setback to the much-needed investment.

Meanwhile, reservations were also expressed on the total debtors outstanding reported to be R27,8 Billion as at the end of October 2023. Mention being made that there was no accountability or political will to collect monies owed to the Municipality. However, it being advised that the bulk of debts relates to household debt which mainly includes individual customer accounts and contributing 74% of the total debt which amounts to R19,8 Billion. Commercial debts included business accounts which amounts to R6,5 Billion, with Organs of State and Parastatals accounts amounting to R1, 2 Billion, the balance of the debts being for other accounts which includes sundries.³

During discussions, it was noted that some of the uncollected debt was due to some rate payers being billed without rebates while they were deemed to be indigent, due to the Municipal application processes not being followed. A submission being made for Social Workers to be utilised and where possible, be stationed at Sizakala Centres around the City to ensure that proper indigent assessments were undertaken accordingly. It being noted that interventions are continuously being made to reduce

the debtors' book, including Council approved Debt Relief Programme; disconnection of services and ongoing engagements with customers to settle their bills, mention being made that following such engagements, Transnet had already paid R 200 Million for their long outstanding debt. It being further noted that the long outstanding debt from Tansnat was still not resolved due to an ongoing court case in this regard.

Attention was then drawn to the slow-paced process of issuing rates clearance certificates due to delays on finalisation of meter readings contract, which was viewed as having a negative effect on the City's economy and investment. However, it being noted that the Municipality has established a turnaround strategy to eradicate the backlog in obtaining the certificates. It being further noted that the Municipality had since finalised the contract and meters were to be read, within the applicable prescribed period. A view being submitted that the Municipality had to consider insourcing the meter reading function. In response to a concern raised on the delays in transfer of meter reading function from the Electricity, Water and Sanitation Units to the Revenue Management Unit, it was noted that Human Capital had recently concluded engagements with the Labour component, subsequently the next stage was to fully implement the transfer.

Thereafter,

COMMITTEE RECOMMENDS:

- 1.1.1 That the Budget Statement report for the month ended 2023-10-31 and the supporting documents, submitted by the City Manager as per his report dated 2023-11-14, in compliance with Section 71 and Section 52 (d) of the Local Government: Municipal Finance Management Act No. 56 of 2003 (MFMA), read together with Regulations Section 28 of the Municipal Budget and Reporting Regulations, and in terms of Government Notice 32141 dated 17 April 2009, on the implementation of the budget and financial affairs of the Municipality and its entities, be noted.
- 1.1.2 That, in compliance with Section 32(2) of the MFMA, Council notes Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIFWE) incurred in the month of October 2023, as detailed under Section 10 of the Budget Statement Report.
- 1.1.3 That the Municipal Council refers the UIFWE referred to in .2 above to the Municipal Public Accounts Committee (MPAC) for investigation with a view to achieving informed outcome whether recovery or write-off of the said expenditure is permissible as per the provisions in terms of Section 32(2)(b) of the MFMA, and that the MPAC report back to the Council the outcome of its investigations.

Speaking on the budget statement report for the month ending October 2023, the DA submitted that there was a need for the Municipality to implement aggressive revenue collection drive, emphasizing that revenue is the lifeblood of the Municipality. Further that without sufficient revenue stream, the Municipality would have to borrow, of which this was strongly not recommended. They also emphasised that without revenue, the Municipality cannot provide the necessary services. The DA also requested that meter reading service be resuscitated to avoid inflated bills. Other matters of concern included uncollected debt in the region of R28 Million; 55% water loss and non-responsive Municipal Call Centres.

Also speaking on the matter, the EFF noted with appreciation that Transnet had made payment of R200 Million towards their historical debt. They further mentioned that the Municipality had to insource the meter reading function as well to initiate investigation

to determine if all buildings within the City were making payment towards Municipal rates and services.

Also joining the discussion, the ADEC mentioned that 55% water losses is a crisis. Further, that the slow turnaround time to fix water leaks is unacceptable and that consideration be given to utilising inhouse plumbers, also supporting insourcing of the meter reading function.

Meanwhile, the ANC reported improvements in revenue collection, commending collaborative efforts in this regard. That the Municipality prides itself for coming to the rescue of the residents who were hardest hit by the Covid-19 pandemic, as well as the civil unrest, by introducing debt relief programme. On the issue of meter reading, it was advised that a process to centralize this function is underway. It was indicated that centralization of the meter reading function was still underway. To allay fears regarding functional sustainability, the attention of the Council was drawn to a pronouncement by National Treasury that eThekweni Municipality is the most financially stable Metropolitan in the Country, confirmation being given that the Municipality is capable to manage its own financial affairs.

Thereafter, the above recommendations 1.1.1 & 1.1.2 were; NOTED, and recommendation 1.1.3 being; ADOPTED, by a majority vote.

- 1.2 EThekweni Municipality Public Tender Awards for the Month Ended: 31 October 2023 (9/1/3)
(Page 224: Finance Committee - Agenda 2023-11-22)

The Committee noted that the amount of R611 241 541.36 (Six Hundred and Eleven Million Two Hundred and Forty-One Thousand Five Hundred and Forty-One Thirty-Six Cents) was the total value of tenders issued during the month of October 2023.

In noting the report, the Committee expressed concern on what they viewed as a high percentage of Section 36 tender awards being issued for the month of October; emphasis being made that the aforesaid Section is to be utilized only for emergency purposes. Also, that stringent measures be put in place, to improve expenditure patterns and expediting the process of finalising tender processes for tender awards to be made within a reasonable timeframe.

With the Committee noting the tender awards report subject to comments made,

COMMITTEE RECOMMENDS:

- 1.2.1. That the public tender awards by the City for the month of October 2023, inclusive of awards made in terms of Section 36 of the Supply Chain Management Regulations, as contained in the report by the Acting Head: Supply Chain Management dated 2023-11-13, be noted.
- 1.2.2 That it be noted that where information is available for Wards and registration numbers, it is included in the report, as information used to compile the report is taken from submissions made by the Units.
- 1.2.3 That the Finance Committee calls for additional information on individual awards, where it deems appropriate and necessary to play its oversight role.

- 1.2.4 That the City Manager reserves the right to investigate the awards with a view to taking disciplinary, criminal and recovery actions where willful and negligent violation of Supply Chain Management Policies and Municipal Finance Management Act provisions are observed.
- 1.2.5 That the City Manager shall table a report to the Committee relative to the disciplinary, criminal and recovery actions taken, it being recorded that the City Manager can only respond when the reports are available.

Speaking on the matter, the EFF noted the report, however expressed a concern that, on numerous occasions, the Municipality has been cautioned to guard against the excessive use of Section 36 of the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003, especially for procurement not regarded to be of an urgent nature. Bypassing a tender process was considered to create a room for maladministration and irregularities. The Section 36 procurement worth R915 Million was considered excessive and a call for close monitoring going forward.

Also commenting on the matter, the ADEC reiterated that the MFMA is clear and specific in terms of when the provisions of Section 36 is to be utilised. That what is required is increased oversight to ensure Section 36 transactions have been undertaken within the ambit of the legislation to avoid finding by the Auditor-General in this regard.

Thereafter, the ANC welcomed the report and emphasised that Section 36 tenders were finalised within the applicable legislation, further that the City Manager has been delegated by legislation to do so. They emphasised that any suspected wrongdoing should be reported to the relevant structures.

Accordingly, the above recommendations of the Executive Committee were, NOTED.

- 1.3 Investments Report for the Month Ended: 31 October 2023 (7/11/4)
(Page 274: Finance Committee - Agenda 2023-11-22)

The Committee noted the Municipal funds invested at different Financial Institutions are recorded to amount to R 8, 042 100 000.00 (Eight Billion and Forty-Two Million One Hundred Thousand Rand), at an average rate of return on investments of 8,97%. Also, that the Municipality has an overdraft facility of R682 000 000.00 (Six Hundred and Eight Two Million Rand) and the unutilised Capital and Operational Grants as at the end of October 2023 was reported to be R2 580 000 000.00 (Two Billion Five Hundred and Eighty Million Rand). It being further noted that there was 43 (forty-three) days cash on hand excluding grants.

COMMITTEE RECOMMENDS:

That the report on investments for eThekweni Municipality as at 2023-10-31, which records the total funds invested at financial institutions as R8, 042 100 000.00 (Eight Billion and Forty -Two Million One Hundred Thousand Rand), at an average rate of return on investment of 8.97%, as submitted by the City Manager, in line with the requirements of the Municipal Cash Management and Investment Regulation of the Municipal Finance Management Act, 2003, be noted.

NOTED.

1.4 Unauthorised, Irregular, Fruitless and Wasteful Expenditure Incurred for the Year Ended 30 September 2023 (9/1/3)
(Page 291: Finance Committee - Agenda 2023-11-22)

Committee noted the total irregular expenditure of R80 575 163.70 (Eighty Million Five Hundred and Seventy-Five Thousand One Hundred and Sixty-Three Rand and Seventy Cents) has been incurred and reported by various Units for the quarter ended 30 September 2023. Background being given that these reports have been reviewed and analyzed by the Internal Control Unit, noted by the Bid Adjudication Committee, and would be referred to the Municipal Public Accounts Committee for recommendation for the write off or recovery based on the outcomes of investigation.

Thereafter, concerns were raised on what was viewed as a slow pace of implementation of consequence management, in terms of finalising disciplinary cases, recovery of monies and criminal charges being instituted, following investigations. Mention also being made that periodic report on progress made be also submitted to the Council structures and quantified in terms of percentage achievements.

COMMITTEE RECOMMENDS:

1.4.1 That the Unauthorised, Irregular, Fruitless and Wasteful Expenditure reported for the Quarter ended 30 September 2023 amounting to R80 575 163.70 (Eighty Million Five Hundred and Seventy-Five Thousand One Hundred and Sixty-Three Rand and Seventy Cents), be noted.

1.4.2 That depending on the outcome of the process detailed in terms of Section 32 of the Municipal Finance Management Act No. 56 of 2003, further action may arise, including disciplinary action, recovery of monies and criminal charges being instituted where applicable.

1.4.3 That a report be prepared and submitted to the MEC for Co-operative Governance and Traditional Affairs, National Treasury and the Office of the Auditor-General in terms of Section 32 and Section 170 of the Local Government: Municipal Finance Management Act No. 56 of 2003.

A submission was made that the remedies employed must be expedited to ensure that there is value for money, and that funds lost as a result of unauthorised, fruitless, irregular and wasteful expenditure be recovered. Further, that Council ensures that good governance principles and laws which were promulgated are strictly adhered to.

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

2. REPORT OF THE HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE: MEETING HELD 2023-11-22.

(Page R5)

2.1 Reallocation of Funds Across Capital Projects-HV Projects (7/1/21& 27/2/R)

(Page 18: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought to reallocate savings identified in the approved capital budget for the Electricity Unit for the 2023/2024 financial year in the amount of R182 784 300.00 (One Hundred and Eight Two Million Seven Hundred and Eighty-Four Thousand Three Hundred Rand). It has been identified that expenditure on certain

capital projects may not reach its planned spend within this financial year due to delays in the award of required contracts. These projects have been identified as contained in Annexure A of the report by the Head: Electricity dated 2023-10-25, and the funding proposed to be reprioritized to execute projects ready to be implemented in the 2023/2024 financial year.

The projects previously planned and budgeted for in the 2023-2024 MTREF under a reduced budget could benefit by having more work completed within the financial year, however, further funding is required. The Supply Chain Management (SCM) process for projects requiring funding is complete and the proposed budget reallocation can then enable the release of funding to be spent within this financial year. Savings have been identified from the following projects due to pending finalisation of related SCM processes.

LIST A

- (i) KE Masinga 132 kV Substation Equipment
- (ii) Mahogany Ridge Substation
- (iii) Sundry New Supply (Blocksum)
- (iv) Reinforcement (Blocksum)
- (v) Substation Equipment Breakdown
- (vi) Stockville 132 kV Substation
- (vii) Firewall system
- (viii) Springfield 132 kV Substation
- (ix) Umgeni Substation
- (x) Lotus Park Substation Protection
- (xi) Computer Equipment
- (xii) Durban South 275 kV Substation

The savings identified through projects listed above will be used to the following multi-year projects previously on the capital budget programme planned and were budgeted to be completed in the approved 2022/2023 MTREF, but experienced delays and now require funding in the 2023-2024 FY to be completed:

LIST B

- (i) Toyota and Bayhead Substation
- (ii) Prospecton Substation
- (iii) Old Fort - Addington 132 kV
- (iv) Ntuzuma Substation
- (v) Greenbury Substation
- (vi) Umdloti Substation
- (vii) La Mercy Substation

Listed below are projects that are new and not on the MTREF, but have recently been identified due to newly discovered critical operational constraints and are urgently required. Therefore, savings identified will also be utilised to accommodate work required in this regard.

LIST C

- (i) Equipment and tools
- (ii) Testing Equipment
- (iii) Mobile Generators and Test Equipment

Accordingly, authority is sought to reprioritise funds to enable the Head: Electricity to use an amount of R182 784 300.00 (One Hundred and Eight Two Million Seven Hundred and Eighty-Four Thousand Three Hundred Rand) to implement projects as per List B and C above, to optimise spend on projects with no contractual constraints, thereby enhancing service delivery.

COMMITTEE RECOMMENDS:

- 2.1.1 That approval be granted for the reallocation and transfer of funds in the amount of R182 784 300.00 (One Hundred and Eight Two Million Seven Hundred and Eighty-Four Thousand Three Hundred Rand) as savings identified in the approved capital budget as detailed in the report of the Head: Electricity dated 25 October 2023, and with savings to be spent to implement the following projects:

LIST B

- (i) Toyota and Bayhead Substation
- (ii) Prospecton Substation
- (iii) Old Fort - Addington 132 kV
- (iv) Ntuzuma Substation
- (v) Greenbury Substation
- (vi) Umdloti Substation
- (vii) La Mercy Substation

LIST C

- (i) Equipment and tools
- (ii) Testing Equipment
- (iii) Mobile Generators and Test Equipment

- 2.1.2 That authority be granted for the Deputy City Manager: Finance to include in his adjustment budget Report the transfer of funds from the projects where savings have been identified to the list of projects where funding is required.

Financial Implications:

The project funding will be reprioritised from existing funded projects to other projects that could not be completed with a *zero increase* in the overall bottom line of the 2023-2024 Medium Term Revenue & Expenditure Framework (MTREF) budget.

FC: 361/CA0270

A need to reprioritise the capital budget for the Electricity Unit for the 2023/2024 financial year was emphasised, to optimise spend on projects with no contractual constraints, thereby enhancing service delivery.

Thereafter, the above recommendations of the Executive Committee were, ADOPTED.

- 2.2 Proposed Closure of a Road Portion, The Public Open Space And Alienation for Educational Purposes of Proposed Portion A and B Of Erf 1 Brickfield By Private Treaty As Depicted On Plan No SJ:4742/1a/1 Extent 1105m² And 478m²(17/1/2/3)
(Page 63: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought to alienate by private treaty for educational purposes, a Municipal owned property described as proposed Portion [A] of Erf 818 and [B] of Erf 1

Brickfield, Registration Division FT, in the Province of KwaZulu-Natal, measuring 1105m² and 476m² in extent as depicted on Plan Number SJ4742/1A ("The Property"), in terms of Regulation 5(1) (b) read with Regulation 7 and 11 of the Municipal Asset Transfer Regulations, 2008 ("MATR") and Section 14(2) (a) and (b) of the Municipal Finance Management Act, No. 56 of 2003 ("MFMA").

The intention is also to permanently close the road and the public open space, over the proposed portion [A] and Portion [B]. The road closure will be done in accordance with section 211 and 212 of the Local Authorities Ordinance No 25 of 1974 read together with section 28 (2)(e) of the eThekweni Municipality Planning and Land Use Management By-Law 2016 as amended.

With the Committee being in agreement of the proposal,

COMMITTEE RECOMMENDS:

- 2.2.1 That the Municipal Council declares in terms of Regulation 5(1)(b), 7 and 11 of the Municipal Asset Transfer Regulations 2008, Section 14(2)(a) and (b) of the Municipal Finance Management Act No 56 of 2003 that:
 - 2.2.1.2 The Proposed Property described as Portion A of Erf 818 and B of Erf 1 Brickfield in an extent of 1105m² and 476m² is not required to provide minimum level of basic Municipal services and is surplus to the requirements of the Municipality.
 - 2.2.1.3 The Proposed Portion A of Erf 818 and B of Erf 1 Brickfield, be alienated at a purchase price assessed at a value of R520 000.00 (Five Hundred and Twenty Thousand Rand) excluding VAT. Such price reflecting the current market value assessed by a registered valuer which is to be paid by the purchaser to the Municipality.
- 2.2.2 That the Municipal Council approves that .1 above is subject to the condition that Proposed Portion A of Erf 818 and B of Erf 1 Brickfield registration division FT in the province of KwaZulu-Natal in extent approximately 1105m² and 476m² as depicted on plan number purchase price be offered for sale in freehold by treaty to the adjoining owner at a purchase price of R520 000.00, excluding VAT, such price reflecting the purchase price based on the current market value of the land as assessed by a registered valuer.
- 2.2.3 That in terms of Section 211 and 212 of Ordinance 25 of 1974, Proposed Portion A of Erf 818 and B of Erf 1 Brickfield in an approximate total extent of 1105m², designated as public open space and existing street as depicted on Hand Plan Number SJ4742/1A, be permanently closed.
- 2.2.4 That the closure is advertised via the Land Use Management application process and is to be read in terms of Section 211 and 212 of Ordinance 25 of 1974 together with Section 28 (2) of the eThekweni Municipality Planning and Land Use Management by law 2016, as amended.
- 2.2.5 That in the event of objections being lodged to the proposed closure of the public open space and existing street over a proposed portion A of Erf 818 and B of Erf 1 Brickfield By- Law process to attend to these objections.
- 2.2.6 That an application for the scheme amendment of Portion A and B to accommodate the existing residential site must be submitted in terms of the Spatial Planning and Land Use Management Act. Proposed Portion A of Erf 818 and B of Erf 1 must be

consolidated with portion 330 of Erf 818 Brickfield, however, should this not be possible the area may be notarially tied to the adjoining property.

- 2.2.7 That the proposed 4.57m sewer & drain servitude, 4m water pipeline servitude and storm-water servitude are to be registered, the position as indicated on the plan in favour of the Council.
- 2.2.8 That low voltage cables through the proposed properties. Such cables shall be required to be rerouted. The purchaser to liaise directly with the Head: Electricity for the relocation cost.
- 2.2.9 That a traffic assessment application has to be submitted to the Head: Traffic Authority prior to any development taking place on the proposed.
- 2.2.10 That all cost incidental to the transaction shall be at the cost of the application account.
- 2.2.11 That subject to the adoption of .1 to 10 above the Head: Real Estate be authorized to sign all the documentation necessary to give effect to this transaction in terms of the Supply Chain Management Policy of the Municipality, the Municipal Asset Transfer Regulations 2008, the Municipal Finance Management Act No 56 of 2003 the Land Disposal and Granting Of Rights Policy of the Municipality as amended and any other applicable legislation and that it shall be subject to such further conditions as the Head Real Estate considers necessary to protect Municipality interest.

As some members were not in support of the recommendations, the matter was put to the vote. With 171 Councillors present, 125 Councillors (ANC - 90, EFF – 16, IFP- 0, Action SA -02, ABC – 02; ACC- 02, ACDP – 02; ADEC – 01, DLC – 00; APF – 01; AIC- 02; ATM - 01; ALJAMAH – 00; JEP - 00; KZNI – 01, MF – 01, MOSA- 00, NFP - 01; PFP – 00, PRM – 01, TA- 00, UIM – 01 and VF-Plus - 01) voted in favour of the recommendations and voted against the matter. 46 DA Councillors voted against the matter.

Accordingly, the above recommendations were by a majority vote, ADOPTED.

- 2.3 Transfer of Funds from Project No: X8589B To Project No:X8638 (7/4/2 & 23/1/11/1/1/2)
(Page 88: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought to transfer funds in the amount of R13 000 000.00 (Thirteen Million Rand) from Project No.: X8589B – Reservoir Protection to Project No.: X8638 – Storm Damage 150m of 375mm diameter asbestos cement pipeline, diversion and upgrade of existing 375mm diameter pipeline from Amanzimtoti Water Works to Lewis Drive Reservoir under the Municipal Disaster Response Grant (MDRG) Allocation for eThekweni Water Operations.

With the Committee being in agreement in support of the proposal,

COMMITTEE RECOMMENDS:

That approval be granted for transfer funds in the amount of R13 000 000.00 (Thirteen Million Rand) from Project No.: X8589B - Reservoir Protection to Project No.: X8638 - Damaged 150m of 375mm diameter asbestos cement pipeline diversion and upgrade

of existing 375mm diameter pipeline from Amamzimtoti Water Works to Lewis Drive Reservoir under the Municipal Disaster Response Grant (MDRG) allocation for eThekweni Water Operations.

Financial Implications

FC NO: 02/11/2023

ADOPTED.

2.4

Implementation of Solar Water Heater Installation Project (27/1/2/1/7)

(Page 232: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

The Municipal Council in 2015 approved that eThekweni Municipality participates in the new National Solar Water Heater Programme. The project is driven by the National Government to contribute towards achieving Countries' electricity demand and greenhouse gas emission reduction as well as industrialization objectives. Thereafter, the Municipality entered into a framework agreement with the National Department of Energy. This report then seeks to provide update on the implementation of this project. The primary aim of this programme is to identify energy-saving potential in eThekweni Municipality and retrofit this infrastructure with suitable energy efficiency interventions.

It was advised that eThekweni Municipality has been allocated 6 000 geysers which will be distributed to the identified areas of installation within the eThekweni Municipality. eThekweni Municipality was tasked to find suitable central storage for the geysers, 75 Dr. Langalibalele Dube Building, second floor parking was identified. A physical security assessment on-site inspection was conducted by the National Department of Mineral Resources and Energy security personnel together with the Project Managers and the following finding were identified:

The 2nd floor of the car parking areas has been identified as 882.4m² which was deemed suitable to house 6 000 units of the geysers. It being noted that the area was declared safe to store geysers, however, there was remedial work that needed to be undertaken to ensure that the storage is fully compliant, the identified upgrades are as follows:

- (i) The covering of all sides for water during rainy times.
- (ii) The maintenance of cameras.
- (iii) The installation of lights.
- (iv) The increase security from 4 to 8 personnel, 4 per shift.
- (v) The entrance of parking must have a temporal gate installed to ensure that only authorized contractors are allowed.

With the Committee being in support of the proposal on storage facility earmarked for the geysers;

COMMITTEE RECOMMENDS:

- 2.4.1 That the status report relative to the installation of National Solar Water Heater Programme, be noted.
- 2.4.2 That the continuation of the National Solar Water Heater Programme in eThekweni Municipality, be approved.

- 2.4.3 That subject to the adoption of .2 above the Committee grants approval to the project team to undertake the Council induction workshop and introduce the service provider to the communities that will benefit from the programme.
- 2.4.4 That the Political Principals be requested to identify the Wards that should be prioritized in phase one implementation.
- 2.4.5 It be noted that this programme is being funded by the National Treasury through the Department of Mineral Resources and Energy (DMRE) and implemented by the Central Energy Fund (CEF).

ADOPTED.

- 2.5 Minor Reallocation of Funding: 1R-47094: Construction of a Pedestrian Bridge: Dudu Shangase Ward 54 (25/4/11/1)
(Page 239: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought for approval to utilize savings allocated for the 2023/2024 financial year under Project No.: P13234B – Pedestrian Bridge in Msimango Way in the amount of R21 700.00 (Twenty-One Thousand Seven Hundred Rand) (Excl. VAT) for the final retention money settlements of the Pedestrian Bridge on Project No.: P13237B – Dudu Shangase Walk located in Phoenix, Ward 54.

The construction of Pedestrian Bridge in Msimango Way has a budget of R2 500 000.00 (Two Million Five Hundred Thousand Rand) (Excl. VAT) allocated for 2023/2024 financial year. The project has been awarded and the total amount required for the P13234B is R2 217 292.33 (Two Million Two Hundred and Seventeen Thousand Two Hundred and Ninety-Two Rand Thirty Three Cent) (Excl. VAT) thus a saving of R282 707.67 Two Hundred and Eighty Two Thousand Seven Hundred and Seven Rand Sixty Seven Cent) (Excl. VAT) can be declared as saving.

It was advised that an amount of R21 700.00 (Excl. VAT) from Project No.: P13234B is required to be utilized on Project No.: 13237B for the end of defect payment of Pedestrian Bridge Dudu Shangase Walk, Ward 54 for the 2023/2024 financial year.

With the Committee being in agreement in support of the proposal,

COMMITTEE RECOMMENDS:

- 2.5.1 That approval be granted to utilize funds identified as savings allocated for the 2023/2024 financial year under Project No.: P13234B – Pedestrian Bridge in Msimango Way in the amount of R21 700.00 (Twenty-One Thousand Seven Hundred Rand) (Excl. VAT) for the final retention money settlements of the Pedestrian Bridge on Project No.: P13237B – Dudu Shangase Walk located in Phoenix, Ward 54.
- 2.5.2 That the budget for P13234B be regularized via the adjustment budget for the 2023/2024 financial year)

Financial Implications

An amount of R21 700.00 (Excl. VAT) from P13234B 2023/2024 Financial Year budget is required to be utilized on P13237B for the end of defect payment of Pedestrian Bridge Dudu Shangase Walk, Ward 54.

Project No	FY	Budget Allocation	Amount required	From
P13234B	2023/2024	R 2 500 000	R2 217 292.33	
P13237B	2023/2024		R21 700	P13234B

Council unanimously applauded the Municipality for setting aside funding for construction of the Dudu Shangase Pedestrian Bridge in Ward 54, which was halted in the previous years. It being emphasised that the bridge will provide much-needed relief to the community.

Accordingly, the above recommendations of the Executive Committee were, ADOPTED.

2.6 132 Toyota Substation High Voltage Yard Upgrade (27/2/1/1/52)
(Page 241: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought for approval for the Head: Electricity Unit to enter into an agreement with Toyota South Africa Motors (TSAM) for upgrading Toyota 132kv Substation (SS) located at 2 Prospection Road.

EThekweni Electricity is required to ensure that power supply to their bulk electricity customers is uninterrupted, meets the customer load demand, and has a network that is designed such that it has redundancy. The existing network configuration of the Toyota SS has limitations such that there is no flexibility to operate and maintain the substation. The substation configuration also contributes negatively to the loss of production at TSAM in case of abnormal conditions experienced in the substation. These unplanned downtimes result in both parties losing revenue.

The objective of the project is to provide operational flexibility to the Toyota SS, to provide capabilities of implementing planned maintenance, and to reduce downtime in case of abnormal conditions which will ultimately have a positive contribution to TSAM productivity and the continuity of supply.

In view of the foregoing,

COMMITTEE RECOMMENDS:

- 2.6.1 That authority be granted for the City Manager to, on behalf of eThekweni Municipality, enter into an agreement with Toyota South Africa Motors (TSAM) for upgrading 132Kv Substation (SS) located at 2 Prospection Road.
- 2.6.2 That subject to the adoption of .1 above, authority be granted for the City Manager to incur costs relative to the upgrade, it being recorded that the estimated proportional cost for eThekweni Electricity is R27 000 000.00 (Twenty-Seven Million Rand) and the estimated proportional cost for the Toyota South Africa is R24 000 000.00 (Twenty-Four Million Rand), it being noted that the total cost of the project is R51 000 000.00 (Fifty-One Million Rand), and with the actual exact cost to be paid during project phase.

The recommendations to upgrade Toyota 132kv Substation (SS) located at 2 Prospection Road, was unanimously welcomed, it being emphasised that the Municipality is required to ensure that power supply to their bulk electricity customers is uninterrupted, meets the customer load demand, and has a network that is designed such that it has redundancy.

Accordingly, the above recommendations of the Executive Committee were, ADOPTED.

2.7

Noting of Reasons to Amend Contract No.: 1T-45729 In Terms of Section 116(3) of the Local Government: Municipal Finance Management Act No.56 of 2003 for the Re-Alignment and Widening of Inanda Arterial Road West Bound Teakfield Road and Chris Hani Road (26/3/2/3)
(Page 257: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

The Committee received the report to note reasons for proposed amendment of Contract No.: 1T-45729 relating to Re-alignment and Widening of Inanda Arterial Road West Bound between Teakfield Road and Chris Hani Road, in terms of Section 116(3) (b) (i) and (ii) of the Local Government: Municipal Finance Management Act No 56 of 2003. A summary of the details of the contract information is given below for ease of reference:

Table 1: 1T-45729 Contract Summary

Contractor	Devtech Lungelihle JV
Commencement of Works	24 March 2022
Initial Due Completion Date	21 February 2023
Revised Due Completion Date	15 December 2023
Contract Value	R 38 063 200.00 Excl. VAT
Original Contract Authority	R 59 093 118.00 (Incl. VAT, CPA, Contingency)
Additional Authority	R 11 733 631.63 Incl. VAT
Revised Contract Authority	R 70 826 749.63 Incl. VAT
Additional Contract Authority Required	R 106 182 574.64 Incl. VAT

MOTIVATION FOR APPLICABILITY OF SECTION 116 (3)

Detailed below are the key events and circumstances leading to estimated costs for the completion of the construction works exceeding the approved Contract Authority Amount by more than 20% of the contract award value.

Unforeseen Events Requiring Additional Funding

Emergency Flood Contracts

During the month of April 2022, the eThekweni area experienced major flooding events that resulted in damages throughout the city. Due to the severe nature and state of emergency of works required to address the flood damages, eThekweni Municipality appointed Devtech Civils/Lungelihle Construction JV to carry out work to reinstate the Chippendale Road and 122937 street (Isakabula Avenue) as part of their existing contract 1T-45729.

Chippendale Road

Chippendale Road situated within Newlands West was affected when the existing stormwater manholes which were evidently blocked with solid debris and dirt caused a stormwater pipe to reach its full capacity. This resulted in the stormwater pipes to fail in the roadway. Due to excessive water being discharged from this pipe, underlying layer-works became compromised resulting in slippage along a recently patched portion of the roadway.

122937 Street (Isakabula Avenue)/ Ntuzuma Culvert

122937 Street (Isakabula Avenue) situated within Ntuzuma, Ward 43 and crossing over the Gobhogobho River collapsed. The failure of the roadway was as a result of many factors. A residential road higher upstream initially collapsed due to rising level of the river and insufficient erosion and embankment protection measures. This failure resulted in washing downstream and causing blockage within the existing stormwater culvert on 122937 street resulting in water levels rising further and a portion of street 122937 was eventually washed away.

Harry Gwala Road

The Works entail undertaking related remediation works, due to the April 2022 floods, along both the Eastbound and Westbound carriageways of the existing Harry Gwala Road (Denis Shepstone Road to Ridge View Road). The scope of works consists of the following:

- Reinstatement of 5m cycle track / asphalt sidewalk.
- Reinstatement of eroded verges.
- Reinstatement of 2m sidewalks.
- Removal of damaged kerbs and asphalt sidewalks
- Installation of new and making good to existing kerbs.
- Construction of new sidewalks.

Rise and Fall for Special Materials

The 1T-30980 (terminated contract) and 1T-45729 (current S36 contract) tender documents have varied definitions of the base month under which the Contractor's Price Adjustment will be calculated. The difference between the base month for the calculation of the Contractor's Price Adjustment is summarised below:

- The 1T-30980 Tender Document stated that the base month would be the month prior to the month in which tenders close on page 50, Clause 6.8.2 point 7.6.
- The 1T-45729 Tender Document stated that the Index shall be based on December 2020 on page 53, Clause 6.8.2, bullet point 5.
- The original 1T-30980 Tender Document was issued in October 2016, and the document indicated that the base month will be the month prior to the month in which the tender closed.
- The 1T-45729 Tender Document stated that the base month shall be December 2020. However, the bill of quantities was only finalised by the Parties in 2021, and a new base date of November 2021 was agreed to by both Parties.
- The additional funds required are estimated to **R6 265 549.25** Excl. vat see Table 2 for a summary of variation orders.
- A key driver of the increase in the price of special materials is the significant increase in bitumen price between 2016/17 when the average cost of bitumen was approximately R4 800/ton and the current price of bitumen which stands at approximately R22 500/ton.

Streetlighting

Contract No. 1T-45729 requires fully operational streetlighting to be installed within the construction footprint to achieve overall completion of the project. All streetlighting installed is to be carried out by the eThekweni approved sub-contractor. Upon completion and approval of the streetlighting design and cost estimate carried out by sub-consultant, Simply Electrical, a tender document with designs was released to a list of approved sub-contractors (as per the eThekweni Municipality Electricity Unit) to respond.

The tendered BOQ provides a PC SUM allowance of R 750 000.00 Excl. VAT for the installation and relocation of streetlighting within the construction footprint. Upon receipt of all priced quotations and an adjudication to recommend and appoint a suitable sub-contractor that provides minimal risk to the Client, it has been established that the lowest bidder's price amounts to a value R 2 377 677.46 Excl. VAT.

The lowest price is shown to exceed the allowable PC Sum provided, and approval to appoint and fund the appointment of lowest bidder is required. The PC Sum allowance of R 750 000.00 within the 2021 priced BOQ is the same as per the original 2016 Priced BOQ.

Materials used in streetlighting is predominantly steel. It is to be noted that the costs to manufacture, supply and install all steel products have significantly increased between the years of 2019 -2020.

The PC Sum allowance stipulated in the BOQ (R 750 000.00) is now deemed not a market related PC Sum allowance, as a result of the increase in steel prices post 2016 (Original BOQ). As per the Evaluation report supplied by our Streetlighting design consultant, all rates supplied by the Sub-Contractors are market related and were not unduly inflated. The value of variance in costs amounts to **R 1 627 677.46** Excl. VAT, see Table 2 for a summary of variation orders (VO.07).

Construction of the boundary fence

Between chainage 15+600 and chainage 15+700, a design fill embankment encroaches onto an existing adjacent property boundary (Reefer Cold Storage). The property owner has raised concerns regarding the security of his site due to potential damage to his fence owing to construction operations and an increase in the road level which effectively means a decrease in the height of his security fence. Upon investigations conducted, the following are proposed solutions:

- Existing concrete retaining wall to be extended, in height, on the road reserve portion.
- Upon completion of the concrete wall, Clear Vu (or similar) or a concrete palisade fence will be installed on the sidewalk thus restoring the boundary fence height.
- The existing Reefer Storage Fence will remain in its original position. Should any of the existing palisades be damaged in the process of construction then the same will be replaced accordingly.
- Additional security may be required as the existing fence may need to be removed and reinstated to allow the Contractor working space.
- The gap between Reefer's existing palisade fence and newly constructed Clear Vu or concrete palisade fence will be constructed to ensure that there is minimal maintenance required by way of grass cutting. All storm water will fall away from the new fence and there will be no stormwater run-off from the road and sidewalk that will fall into Reefer's property.

The proposed solutions above were based on the following advantages:

- Addresses the concerns of Reefer Storage Facility in terms of the boundary fence height.
- Heights of greater than 2.4m can be achieved using this alternative.
- Clear Vu specifications allow for a minimal gap ratio, preventing climbing, cutting (theft) and prevention of any litter, solid debris to pass through it thus creating minimal maintenance required behind the fence.

- Clear Vu is also seen as an aesthetically pleasing product to be utilised. Cost for the boundary fence installations **R 912 007.38** Excl. VAT.

The extension of 1T-45729 to include the construction of the Eastbound carriageway and the BRT lanes- work package 4b.

Due to the National Department of Transport (NDoT) decision to delay the PTNG tranche transfers to the City and the subsequent decision in the light of funding uncertainties by the Chief Financial Officer to pause all approvals for financial commitments for PTNG projects, the planned procurement process for C1 Work Package 4B (C1 WP4B) could not be undertaken and is now approximately 12 months behind schedule.

Messrs Devtech-Lungelihle JV are currently approaching practical completion on the scope of works under C1 WP4A executed under Contract 1T-45729, the footprint of which is immediately adjacent to that of the proposed C1 WP4B. It would therefore be judicious to extend the current scope of works on C1 WP4A to include proposed scope of works under C1 WP4B and in so doing, make some tangible savings on site mobilization costs and perhaps most importantly claw back some valuable time that has been lost due to the sequence of events describe in an earlier paragraph.

Roof of Diligent Contract Management

Contract 1T-45729 has since inception and to date, has been managed in line with the eThekweni Municipality's Supply Chain Management Policy requirements.

SCOPE OF WORKS

SUMMARY OF VARIATION ORDERS

Table 2: 1T-45729 Summary of variation orders

VO No.	VO Date	VO Description	Value Approved (Excl VAT)	Value Approved (Incl VAT)	Status (Approved/Pending)	SOURCE OF FUNDS
1	2022-08-04	Desludging	R 5 197.16	R 5 977.07	Approved	SAVINGS
2	2022-08-22	Chippendale road Reinstatement	R2,784,589.59	R3,202,278.03	Approved	ADDITIONAL
3	2022-08-22	Ntuzuma Culvert Reinstatement	R7,853,430.90	R9,031,445.54	Approved	ADDITIONAL
4	2022-08-22	Asphalt acceptance testing	R991,410.00	R1,140,121.50	Approved	SAVINGS
5	2022-07-18	C3 Trail Section	R53,130.00	R61,099.50	Approved	SAVINGS
6	2022-09-01	EME asphalt trail section	R57,500.00	R66,125.00	Approved	SAVINGS
7	2022-09-26	Street lighting	R1,627,677.46	R1,871,829.08	Approved	ADDITIONAL
8	2022-10-07	Claim No.1	R770,463.20	R886,032.68	Approved	SAVINGS
9	2022-10-07	Afrox wall	R5,557,456.00	R6,391,074.40	Approved	ADDITIONAL
10	2022-11-07	Electrical Relocations	R768,618.00	R768,618.00	Approved	SAVINGS
11	2022-11-07	Traffic Signals	R353,570.15	R406,605.67	Approved	SAVINGS
12	2022-11-07	Reefer Property Wall	R912,007.38	R1,048,808.49	Approved	ADDITIONAL
13	2022-11-09	Harry Gwala Storm Damaged Works	R3,775,642.16	R4,341,988.48	Approved	ADDITIONAL
14	2023-01-17	Bitumen Rise and Fall	R6,265,549.25	R7,205,381.64	Approved	ADDITIONAL
15	2023-01-17	Protection Slab	R8,032.50	R9,237.38	Approved	SAVINGS
16	2023-02-10	Testing of Contaminated Material	R4,461.25	R5,130.44	Approved	SAVINGS
17	2023-03-01	Kenville Road Encasement dowelling bars	R125,459.85	R144,278.83	Approved	SAVINGS
18	2023-03-01	Mumbo Engineers	R113,043.48	R130,000.00	Approved	SAVINGS
19	2023-03-03	Guardrails on Kenville Road	R90,915.72	R104,553.08	Approved	SAVINGS
20	2023-03-06	Pipe on North East Kenville Road	R164,604.24	R189,294.87	Approved	SAVINGS
21	2023-04-25	Speed humps on Kenville Road	R480,776.56	R552,881.54	Approved	SAVINGS
22	2023-05-08	Mumbo Engineers Extended Appointment	R221,268.46	R254,458.73	Approved	SAVINGS
23	2023-05-18	Claim No.4	R5,210,951.54	R5,992,594.27	Approved	ADDITIONAL
24	2023-06-21	Water relocation	R1,128,656.69	R1,297,955.19	Approved	SAVINGS
25	2023-06-22	Professional Fees	R580,463.69	R667,533.24	Approved	CONTINGENCIES
26	2023-07-10	Emergency Speed humps in Newlands	R275,731.72	R317,091.23	Approved	SAVINGS
27	2023-08-21	Mumbo Engineers Extended Appointment	R249,023.29	R286,376.78	Approved	CONTINGENCIES
28						
29						
TOTAL			R40,424,433.08	R46,372,793.59		

SUMMARY OF C1 WP4B COST ESTIMATE

The estimated cost to undertake the proposed scope of works under C1 WP4B stands at R58 000 000.00 excluding contingency, escalation & VAT, the scope of works upon which this estimate is based is detailed in table 3 below and comprises:

- Construction of the two east-bound mixed use (MU) traffic lanes along Inanda Arterial Road between Teakfield Road and Chris Hani Road.
- Construction of the two dedicated BRT lanes along Inanda Arterial Road between Teakfield Road and Chris Hani Road.

- Bulk earthworks and the construction of the contiguous piled retaining wall along the northern embankment between Sea Cow Lake Road and Chris Hani Road.
- Construction of the proposed new sewer trunk main along Inanda Arterial Road between Sea Cow Lake and Chris Hani Road.
- Construction of non-motorized transportation facilities between along Inanda Arterial Road between Teakfield Road and Chris Hani Road.

Table 3: C1 WP4B Cost Estimate

1		PRELIMINARY AND GENERAL		
	AA	PRELIMINARIES	AA	7,020,896.95
	AB	GENERAL SPECIFICATIONS	AB	15,252,871.24
	AH	OCCUPATIONAL HEALTH and SAFETY	AH	1,845,000.00
	Sub-total			24,118,768.19
2		SITE CLEARANCE		
	B	SITE CLEARANCE	B	1,546,898.14
	Sub-total			1,546,898.14
3		ROAD WORKS		
	DA	EARTHWORKS: BULK	DA	3,707,805.89
	EB	GRADED CRUSHED STONE	EB	44,609.00
	EC	CEMENT TREATED GRADED CRUSHED STONE	EC	3,438,310.40
	ED	ROAD ASPHALT	ED	4,909,991.06
	EF	KERBS AND HAUNCHES	EF	903,440.75
	EG	SIDEWALKS, FOOTPATHS and MEDIAN AREAS	EG	713,956.68
	EH	STEEL GUARDRAILS & CONC. MEDIAN BARRIERS	EH	196,859.31
	EL	DUMPROCK SUBGRADE IMPROVEMENT	EL	440,609.00
	TA	ROAD SIGNS	TA	250,000.00
	TB	ROAD MARKINGS	TB	250,000.00
	Sub-total			14,855,582.09
4		DRAINAGE AND DUCTS		
	DB	EARTHWORKS FOR PIPE TRENCHES	DB	479,869.68
	PG	NON PRESSURE PIPELINES and PC CULVERTS	PG	910,289.60
	PH	MANHOLES and APPURTENANT DRAINAGE WORKS	PH	340,331.04
	Sub-total			1,730,490.32
5		CONTIGUOUS RETAINING WALL		
	AB	GENERAL SPECIFICATIONS	AB	10,378,370.39
	Sub-total			10,378,370.39
6		SEWER		
	AB	GENERAL SPECIFICATIONS	AB	5,000,000.00
	Sub-total			5,000,000.00
7		PROTECTION WORKS		
	F	PROTECTION WORKS	F	264,890.88

Sub-total				264,890.88
8		REINSTATEMENT		
	S	REINSTATEMENT	S	105,000.00
Sub-total				105,000.00
Total				58,000,000.00

Financial Implications

Table 4 below is a summary of the approved contract sum, a list of events that have impacted on the contract sum and the balance required to achieve contract completion.

Table 4: 1T-45729 Summary of financial position

Contract Value	R 38,063,200.00
Contingency 10%	R 3,806,320.00
Escalation 10%	R 9,515,800.00
Sub Total	R 51,385,320.00
Additional Council Authorised Expenditure	R 10,203,157.94
Gross Amount of Contract	R 61,588,477.94
VAT 15%	R 9,238,271.69
<u>Approved Contract Authority</u>	R 70,826,749.63
Variation Orders	R 11,948,995.15
Construction of Work Package 4B	R 58,000,000.00
<u>Estimated Total of Additional Works</u>	R 69,948,995.15
Contingency 10%	R 6,994,899.52
Estimated Additional CPA	R 6,994,899.52
Sub Total	R 83,938,794.18
Construction Administration & Supervision	R 8,393,879.42
Sub Total	R 92,332,673.60
VAT 15%	R 13,849,901.04
<u>TOTAL ADDITIONAL AUTHORITY REQUIRED (INCL. VAT)</u>	R 106,182,574.64

The events tabulated above have directly impacted the costs of the project in the following ways:

- The final value of the project is now estimated at **R 153 921 151,54** (excl. VAT) which exceeds the Contract Authority amount by **R 92 332 673,60** (excl. VAT).
- The overall project is estimated to cost **R 177 009 324.27** (incl. VAT).
- This therefore exceeds the Contract Authority by an amount more than **20%**.

Financial provision for the proposed amendment(s) to the contract has been made under the PTNG grant as per the details below:

Financial l Year	Additional Expenditure	Vote no.	FC Number
2023/24	R 16 989 211.94	P8529/55100.18000/51160/000/P8529/R003	2023/50/C013

2024/25	R 87 069 711.17	P8529/55100.18000/51160/0000/P8529/R003	2023/50/C013
2025/26	R 2 123 651.49	P8529/55100.18000/51160/0000/P8529/R003	2023/50/C013
TOTAL	R 106 182 574.64		

With the Committee noting compliance requirements associated with this matter,

COMMITTEE RECOMMENDS:

2.7.1

That Council notes the following reasons necessitating the amendment of Contract 1T-45729, in terms of Section 116 (3) of the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003, for the re-alignment and widening of Inanda Arterial Road west bound between Teakfield and Chris Hani for a period of eighteen (18) months from 15 December 2023 to 13 June 2025:

- (i) Unforeseen events requiring additional funding (emergency flood contracts), as during the month of April 2022, the eThekweni area experienced major flooding events that resulted in damages throughout the Municipality. Due to the severe nature and state of emergency, work is required to address the flood damages, including:
- reinstating the Chippendale Road and 122937 street (Ntuzuma Ntuzuma, Ward 43 and crossing over the Gobhogobho River, which has collapsed.
 - Harry Gwala Road works entail undertaking related remediation works, Reinstatement of 5m cycle track / asphalt sidewalk, Reinstatement of eroded verges, Reinstatement of 2m sidewalks; Removal of damaged kerbs and asphalt sidewalks, Installation of new and making good to existing kerbs and Construction of new sidewalks.
 - Rise and Fall for Special Materials
 - Streetlighting
 - Construction of the boundary fence

2.7.2

That Council notes the public participation process was advertised through the media, in terms of Section 116(3)(b)(i) of the MFMA, as part of achieving compliance requirements pertaining to the public participation process to invite public comments on the proposed contract amendment, it being further noted that there were no comments received from the public consultation process.

Financial Implications

Financial year	Additional expenditure	Vote no	Fc number
2023/24	R16 989 211.94	P8529/55100.18000/5160/0000/P8529/R003	2023/50/C013
2024/25	R87 069 711.17	P8529/55100.18000.51160.0000/P8529/R003	2023/50/C013
2025/26	R2 123 651.49	P8529/55100/18000/51160/0000/P8529/R003	2023/50/C013
Total	R106 182 574.64		

NOTED.

2.8

Approval of Roads Rehabilitation Projects 2023/2024 Financial Year (25/4/2)

(Page 303: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

The Committee received a report relative to the Roads Rehabilitation Project to be implemented in the 2023/2024 financial year. It was advised that as the condition of some roads is deteriorating over time, preventive maintenance is required to extend its service life. The challenge facing the Municipality was carrying out preventive maintenance on approximately 8 000 km of road due to budget constraints. For the Preventive Maintenance Program to be effective, it is necessary to apply the right treatment to the right pavement at the right time.

In view of the foregoing,

COMMITTEE RECOMMENDS:

That approval be granted for the Deputy City Manager: Human Settlements; Engineering; and Transport to implement the Roads Rehabilitation Project in the 2023-24 financial year, at an estimated amount of R77 987 000.00 (Seventy-Seven Million Nine Hundred and Eighty-Seven Thousand Rand), with a list of roads to be rehabilitated contained in Annexure A of the report by the Acting Head: Engineering dated 2023-06-02.

Financial Implications

Adequate authority and financial provision is made and approved for the implementation on Vote (P3965D & P3965D)

Vote	Project Number	Financial Year	Amount (Excl Vat)
P3965F/55100.1800/30015/0000/P3965F/0010	P3965F	2023/24	R71 063 000.00
P3965D/55100.18000/51080/0000/P3965D/0010	P3965D	2023/24	R 6 922 000.00

ADOPTED.

2.9

Request for Approval to Host Annual Grade 9 Subject Selection Decision-Making Process Expo: Science, Technology, Engineering and Mathematics (Stem Three Years Programme 2024/2025,2025/2026 And 2026/2027: Aligned to the Department of Education Curriculum Assessment Policy Statement (CAPS)

(Page 310: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought for approval to host the Annual Grade 9 Subject selection decision-making expo for a period of three years from 2024 to 2026. The programme is in line with career guidance and counselling as well as the Department of Education Curriculum Assessment Policy statement for Grade 9 learners.

AIM OF THE GRADE 9 EXPO

Grade 9 learners from rural (Quintile 1, 2, 3) disadvantaged schools are often unaware about possibilities and options after completing high school as a result they often choose school subjects based on teacher interferences and peer distractions and not based on their talents and areas of excellence. The Human Settlements, Engineering and Transport Authority Cluster: Support Services aims at providing adequate advice and counsel to assist learners when selecting subjects for grade 10.

CHALLENGES GRADE 9 LEARNERS ARE FACING

Based on interactions with learners from previous Grade 9 Career Expo's approved by Council, it was discovered that:

- Deep rural schools lack resources and knowledge to adequately inform and prepare their learners for subject choices.
- There is a general impression that STEM (Science, Technology, Engineering and Mathematics) courses are for a particular gender.
- Learners face a dilemma in selecting the right subjects and courses to study due to their inability to identify their strengths and thus, follow the views of their peers and parents on the career path to choose.
- Most learners choose wrong subjects and discover that their subject choices are not matching with the requirements or matching their talent at university level.
- For many Grade 9 learners, it is a frightening outlook to choose subjects if they are not informed about the possibilities and do not wish to work in the same field as their parents.

SOLUTIONS

- Pop Up Science Lab

CASME offers teaching and learning of mathematics and science through experiments. The organisation conducts science pop-ups to promote science engagement and experiments for critical thinking skills, problem solving techniques, communication skills and higher order thinking.

The pop-up lab plays a substantial role in supporting scientific learning fields by enabling learners to obtain a range of practical skills through experiments and allowing them to have better understanding of the content. The aim is to offer hands-on learning activities that integrate modern educational technology tools and inquiry-based learning to reinforce science, technology, engineering, and mathematical concepts required for engineering discipline. Learners will learn about potential career opportunities that exist in the engineering field.

Grade 9 learners have an innate curiosity about the world and, the science lab encourages curiosity by giving learners a chance to test and experiment with their surroundings as they investigate and discover new things through an opportunity to test theories and to ask questions.

- Career Development

Blue Roof (Non-Profit Organisation) seeks to support learners as they make subject and workplace decisions through the state-of-the-art career guidance. Learners participate in an interactive and informative session with career guidance coaches where they are given fun tasks aimed at helping them choose their prospective careers. The activities are designed to raise self-awareness with regards to learner interests and talents, which ultimately influences their career choices.

Career development offers self-assessment for learners to identify and articulate their strengths, values, skills, and interest. Blue Roof conducts assessment tests of colour preferences to indicate the learners best career fit. The colour preference determines how the learner attacks each task and individual interest. The test contains personality traits and behavioural questions that will identify their strength, weakness, and goals to make the right career choice. The aim of the

assessment is for learners to learn about occupations that are suitable for them and to identify the skills they need to bring for the career.

▪ Robotics

Robotics engage learners in STEM opportunities and enhance learning experiences. The introduction of robotics equips learners with skills to design and build intelligent robots and to encourage careers in digitalization.

In the upcoming future workers will need technological skills and there will be greater need for those with expertise in STEM therefore the learners will gain insight on the fourth industrial revolution opportunities that lies ahead. The session teaches learners to build, transform and to manage world class digital experience.

Learners gain the skills and knowledge to transform and unleash their true potential through innovation and creativity. Robotics increase economic growth and productivity while creating new career opportunities for the youth.

In addition to the solutions to enhance learner performance and increase awareness of STEM, the programme will provide learners with the following platform:

- (i) Expose Grade 9 learners to variety of careers before they choose subjects.
- (ii) Equip learners with in-dept knowledge and expertise in their desired subject to help them achieve their career objectives.
- (iii) To share key information from academic institutions such as the University of KwaZulu-Natal (UKZN), Mangosuthu University of Technology (MUT), Durban University of Technology (DUT) and Technical Vocational and Training (TVET) institutions on the requirements and bursary opportunities.
- (iv) Encourage learners by using the life story of a young (rural based) lady who is now an engineer at eThekweni Municipality (Nqobile Khuzwayo) as motivation that hard work and excellence is achievable with dedication and commitment.
- (v) Insight into bursary opportunities, learnerships and internships offered by the Municipality and corporates after completing matric.
- (vi) Promoting and creating awareness on careers in STEM.
- (vii) To share studying strategies to assist them to pass.
- (viii) The programme will speak to each learner's personality, interest, values, and abilities in relation to their career choices and will enable learners to have a clear and developed understanding of the choices they need to make to follow a viable and suitable career.

OBJECTIVES

The consequences learners face when choosing a course that misfit their abilities, interests and passion have landed most at unintended destinations therefore the programme is aimed at shaping young minds to the correct career paths and to help learners choose the correct subjects in Grade 10 to land in the correct career field. The expo will promote careers that are relevant in the current South African landscape however the focus is STEM.

Due to the limited knowledge of learners concerning the choice of tertiary education courses, they mostly rely on actors in their social milieu and seek support from peers,

teachers, and family to select career pathways. Making poor career decisions can stain the learner's pleasure in life as this could lead to career instability.

There is a dire need to educate and grow learners career maturity to enable them to have a clear and developed understanding of the choices they need to make to follow a viable and suitable career. Grade 9 learners will be able to make informed decisions about subject choices by engaging with various higher learning institutions (DUT, MUT, UKZN, TVETS) as well as bursary opportunities, learnership and internships offered by the Municipality and corporates.

BENEFITS TO THE ETHEKWINI MUNICIPALITY

Encouraging STEM will produce learners who can take care of their environment and come up with problem solving decisions to improve eThekweni Municipality areas. The programme aims at producing citizens who can give back to the community through knowledge and to develop future Science, Technology, Engineering professionals that will initially aid the eradication of the shortage of scarce skills professionals within the city – thus placing the Municipal area amongst top competing provinces and countries.

Learners that choose the correct subject streams at an early stage could positively contribute to a higher matric pass rate in the future and be able to apply for their preferred field of study within the Municipality. The city is strategically investing in its economy to grow its talent pipeline and secure the workforce for the future by encouraging learners to consider careers that will positively impact the country's economy.

SELECTION OF SCHOOLS

A selection criterion is piloted by the Department of Education, Ward Councillors and District Managers (DOE) and Educational Specialists in deep rural schools within eThekweni Municipal Area. Schools selected are from Quintile 1,2 and 3 which are in dire need and are economically disadvantaged. The selection is also based on performing and underperforming schools in mathematics and science, which will be submitted to the Office of the Deputy City Manager: Human settlements, Engineering and Transport Authority: Support services.

INDEMNITY FORMS

Learners and their parents will be required to sign consent/indemnity forms to obtain parents' consent as a signified agreement for the learners to attend the career expo and the activities. Furthermore, it ensures that parents are fully aware of potential risks and benefits associated with the project. The consent form will outline details of the expo and is required to be signed by the parents and returned on the day of the event.

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

2.9.1

That the Council supports and approves the Subject Selection Decision-making Process Expo to be hosted for a three (3) year period, 2024-2026, to accommodate Quintile 1,2 and 3 Schools in the eThekweni Municipal Area.

- 2.9.2 That Support Services and the eThekweni Municipal Academy (EMA) will collaborate and partner to deliver a successful STEM (Science, Technology, Engineering and Mathematics) Outreach Programme for the eThekweni Municipality.
- 2.9.3 That the Council grants approval to use Durban Transport (City Fleet) buses to transport learners from their schools to the venue and back to their schools in the afternoon for all three days of the Programme.
- 2.9.4 That Council notes Ward Councillors, Department of Education District Managers and the Office of the Deputy City Manager: Human Settlement, Engineering and Transport Authority will take responsibility to identify schools to participate in the Grade 9 Subject Selection Decision-making Process.
- 2.9.5 That Council notes adherence will be made to the eThekweni Municipality's Supply Chain Management Policy to procure goods and services required for the purpose of the proposed Expo.
- 2.9.6 That progress report will be submitted to the Committee to provide close-out information in each financial year.

Financial Implications

The Grade 9 Expo Subject Selection Decision Making process budget has been allocated for 2024,2025, 2026 financial year.

<u>MSCOA and Budget Provision</u>							
Financial Year	Bu	Item	Funding	Costing	Project	Region	To Be Provided
2023	68001	10975	12120	0000	39500	0010	R2 175 056.62
FC NO. : 2023/68/32							

The initiative of the Municipality to collaborate and partner to deliver a successful Science, Technology, Engineering and Mathematics Outreach Programme was applauded. It being highlighted that this will initially aid the eradication of the shortage of scarce skills professionals within the City – thus placing the Municipal area amongst top competing provinces and countries.

In this regard, the above recommendations of the Executive Committee were,
ADOPTED.

- 2.10 Proposed Alienation of Proposed Portion A of LOT Intaba No. 156006 by Direct Negotiation to the Adjoining Owner for Worship Purposes (17/2/1/2/3)
(Page 350: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

The site in question (Erf Greenbury) is owned by The Antionch Christian Terbanacle and it is utilized for worship purposes, and the Church has since applied to purchase the land adjoining their property for parking purposes. The property is currently zoned Special Residential 180, and a rezoning of the land will be required and shall be undertaken by the Church upon the transfer.

COMMITTEE RECOMMENDS:

- 2.10.1 That the Municipal Council declares in terms of Regulation 5(1)(b) Regulation7, Regulation 11 of MATR read together with Section 14 (2)(a) and (b) of the MFMA that:

- 2.10.1.1 The property described as Proposed Portion A of Lot Intaba 15006 in extent of 1266m² as depicted on Plan No.: SJ 4732/4A is not needed to provide the minimum level of basic municipal services and be surplus to the requirements of the Municipality; and
- 2.10.1.2 That the market value the property is currently assessed at a value of R618 000.00 (Six Hundred and Eighteen Thousand Rand) council, and Council approves that the proposed alienation for religious purposes be discounted by 90% of fair market value, having duly considered the principles as set out in Regulation 13(2) MATR, the discounted valued is determined to be R61 800.00 (Sixty-One Thousand Eight Hundred Rand, excluding VAT.
- 2.10.2 That Proposed Portion A of Lot Intaba No.: 15006, be sold to the adjoining owner at a purchase price of R61 800.00 (Sixty-One Thousand Eight Hundred Rand), excluding VAT, but this transaction will attract payment of VAT.
- 2.10.3 That the area to be disposed of must be consolidated with the adjoining property ERF 2 Greenbury, however, should that not be possible the area be notarially tied to the adjoining property all cost involved in this transaction shall be borne by the purchaser.
- 2.10.4 That the alienation be approved subject to a reversionary clause stating that, in the event that the property is not utilized for the purpose as indicated in this report, ownership of the property will revert to the Municipality, and in such event the property will be transferred to the Municipality free of any encumbrances, lien, hypothec and mortgage bonds, with the owner signing documents necessary to give effect to such transfer of the property back to the Municipality, and this provision shall be included in the agreement between the owner and the Municipality.
- 2.10.5 That subject to the adoption of paragraphs .1 to.4 above, authority be granted to the Head: Real Estate to sign all documentation necessary to give effect to this transaction in terms of the Supply Chain Management Policy of the Municipality and any other applicable legislation, and that it shall be subject to such further conditions as the Head: Real Estate considers necessary to protect Council's interest.

It was noted that the Antionch Christian Terbanacle is utilized for worship purposes, and the Church has since applied to purchase the land adjoining their property for parking purposes. The property is currently zoned Special Residential 180, and a rezoning of the land will be required and shall be undertaken by the Church upon the transfer. Council unanimously supported the proposed alienation for religious purposes be discounted by 90% of fair market value.

Therefore, the above recommendations of the Executive Committee were, ADOPTED.

- 2.11 Request for Authority to Conduct Public Participation Process in terms of the Municipal Asset Transfer Regulation 2008, to Grant Right to Use, Control or Manage Proposed Lease over Portion 7 of Erf 52 Umlaas in Extent 6940 Square Metres, as Depicted on Hand Plan SJ No. 4780/2 (17/2/1/2/5)
(Page 380: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought to conduct Public Participation Process in terms of the Municipal Asset Transfer Regulation 2008 ("the MATR"), to grant right to use, control or manage the proposed lease over Proposed Portion 7 of Erf 52 Umlaas in extent 6940m² as

depicted on Hand Plan No.: SJ 4780/2, as detailed in Annexure A of the report by the Head: Real Estate dated 2023-11-02.

Successful tenderer will be responsible for all risks and costs for any other relevant town planning. It is noted that all proposals in respect of the development of the subject property must be compliant with the current Municipal Supply Chain Management Policy, the Current eThekweni Municipal Land Disposal and Granting of Property Rights Policy adopted by the Municipal Council, and any other applicable legislation.

The property will generate approximately monthly revenue of R125 000.00 (One Hundred and Twenty-Five Thousand Rand) or R1 500 000.00 (One Million Five Hundred Thousand Rand) per annum, as income for the Municipality as well as creating job opportunities for the local communities, not only in the construction / upgrade phases, but also once the developments have been completed.
With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 2.11.1 That authority be granted for the City Manager to facilitate a process of conducting Public Participation Process as envisaged in terms of Regulation 34(3)(a), read together with Regulation 34(3)(b) of the Municipal Asset Transfer Regulation 2008, for the Proposed Granting of Long-Term Right to Use, Control or Manage the property described as Portion 7 of Erf 52 Umlaas, in extent 6940m² as depicted Hand Plan No.SJ 4780/2
- 2.11.2 That the public participation be conducted in accordance with the provisions of Regulation 35 of the MATR, including: -
 - 2.11.2.1 Inviting the local community and other interested parties to submit comments or representations.
 - 2.11.2.2 Soliciting the views and recommendations of the national treasury and the provincial treasury
 - 2.11.2.3 Complying with Section 21A of the Local Government Municipal Systems Act No. 32, by publishing notification through the media, in a local newspaper published in the area of jurisdiction of the Municipality, in a newspaper circulating in its area of jurisdiction and determined by the Municipality as a newspaper of record or by means of radio broadcast covering the area of jurisdiction of the Municipality.
- 2.11.3 That authority be granted for the Head: Real Estate to sign all documents necessary to give effect to the above-mentioned recommendations.

Financial Implications

The subject property will generate an approximately monthly revenue of R125 000 (One Hundred and Twenty-Five Thousand Rand) per month or R1 500 000 (One Million Five Hundred Thousand Rand) per annum.

ADOPTED.

- 2.12 Proposed Transfer of Eerven 728 and 729 Kwa-Mashu G: Plan No SJ 4723/7 Extent 1 190m² (17/2/1/2/3)
(Page 408: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

COMMITTEE RECOMMENDS:

- 2.12.1 That the Municipality declares in terms of Regulation 5(1)(b) read with Regulation 7 and Regulation 11 of the Local Government: Municipal Asset Transfer Regulations, 2008 (MATR) Section 14 (2) (a) and (b) of the Local Government Municipal Finance Management act, No 56 of 2003 (MFMA) that:
- 2.12.1.1 Proposed Properties described as Erven 728 and 729 Kwa-Mashu G in extent 346m² & 844m² respectively as depicted on Plan No SJ743/7 are not required to provide the minimum level of basic Municipal services and the Municipality has considered fair market value for the properties and the economic and community value to be received in exchange for the asset.
- 2.12.1.2 The current market value of ERF 728 is R208 000.00 (Two Hundred and Eight Thousand Rand)
- 2.12.1.3 The current market value of Erf 729 is R506 000.00 (Five Hundred and Six Thousand Rand), excluding VAT.
- 2.12.1.4 That the Council grants approval in principle for the transfer of the properties for less than their fair market values in terms of Regulation 11 read with Regulation 13(2) of the Municipal Asset Transfer Regulations, this being deemed to be in the interest of the state and the local community.
- 2.12.1.5 That the Council grants approval for the sale prices to be determined to be R20 800.00 (Twenty Thousand Eight Hundred Rand) for Erf 728 Kwa-Mashu G and R50 600.00 (Fifty Thousand Six Hundred Rand) for Erf 729 Kwa-Mashu.
- 2.12.1.6 That the Council issues public notice to afford communities affected an opportunity to comment or object on the transfer of the properties by direct negotiations to the applicant prior to transfer.
- 2.12.1.7 That no encroachment over Municipal sewer servitude is permitted. Prior to any development a sewer impact analysis is to be done for the building for the building plan submitted for approval
- 2.12.1.8 That the access details, parking and loading bays, parking circulation, aisle width details etc, will be accessed at the pre scrutiny application stage and must be in accordance with the guideline for off street parking and the eThekweni Transport Authority (ETA) requirements.
- 2.12.1.9 That the Council grants authority for the Head: Real Estate to sign all documents necessary to give effect to this transaction in terms of the Supply Chain Management Policy of the Municipality and other applicable legislation and that it shall be further subject to such further conditions as the Head: Real Estate considers necessary to protect the Council's interest.

ADOPTED.

- 2.13 Donation of Energy-Saving and Environmentally Friendly Desalination "Remix Water" Demonstration Plant (25/1/11/2/1/1)
(Page 460: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

Authority is sought to accept donation of the Remix Demonstration Plant from Hitachi, Ltd to the eThekweni Municipality and for the City Manager to enter into a Donation Agreement between the eThekweni Municipality and the Hitachi, Ltd. In response to shortfall of water supply, the eThekweni Water and Sanitation (EWS) Unit is investigating desalination technologies available to implement in the eThekweni Municipality, one of them being the Remix Water System, an energy and environmentally friendly desalination technology.

The Hitachi, Ltd (implementation agent appointed by NEDO) has been in discussions with the eThekweni Municipality since 2013 and this led to a Memorandum of Understanding being signed between the parties to pursue a project to implement Remix Water Demonstration Project. The EWS, NEDO and the Hitachi, Ltd have collaborated to build and operate a 6,250m³/d Remix Demonstration Plant at eThekweni's Central Wastewater Treatment Works.

It was indicated that NEDO and Hitachi, Ltd have confirmed that the donation of the Remix Demonstration Plant will be at no cost to the Municipality and the Finance Department has confirmed that there will be no donation tax incurred in this transaction as the eThekweni Municipality is exempted from Donation Tax as the assets are donated to a sphere of government. The donated capital assets will be duly recorded and included in the Municipal Assets Register.

With the Committee being in support of the proposal,

COMMITTEE RECOMMENDS:

- 2.13.1 That Council accepts donation of Remix Demonstration Plant from Hitachi, Ltd to the eThekweni Municipality, it being recorded such donation is made at no cost to the Municipality.
- 2.13.2 That subject to .1 above, authority be granted for the City Manager to enter into a Donation agreement between the Municipality and Hitachi, Ltd for the Donation of the Remix Demonstration Plant.

ADOPTED.

- 2.14 Noting of Reasons to Amend Contract No.: PSC2019/007 in terms of Section 116(3) of the Local Government: Municipal Finance Management Act (MFMA) No 56 of 2003 for the Provision of Professional Services for Improvement of Tongaat Water Treatment Works (23/1/11/2/1/1/2)
(Page 480: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

The Committee received a report to note the reasons to amend Contract No.: PSC2019/007 in terms of Section 116(3) of the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003 for the provision of Professional Services for the improvement of the Tongaat Water Treatment Works, as per the process outlined in Section 55 of the Supply Chain Management Policy (Section 116(3) of the MFMA).

MOTIVATION

The requirement for additional contract authority and extension of contract performance period is discussed below.

Additional Costs due to Variation Orders No. 01-03

In alignment with the City Manager's Circular for floods remedial work procurement, authorising the use of existing contracts to undertake remedial work, the Naidu-MSW JV was issued with Variation Order No. 01 to undertake assessment of damages to the Tongaat WTW in May 2022. Thereafter, Variation Order No. 02 was issued in June 2022 for the design and preparation of contract documentation for construction contract to undertake the remedial work i.e., Contract No. WS7552.

In addition, Variation Order No. 03 was issued to the Naidu-MSW JV in June 2023 to undertake assessments of the bulk pipelines in the Tongaat WTW system. This requirement was due to significant number of bursts on the bulk pipelines during commissioning of the works under Contract No. WS7552. The impact of these bursts was a delay in the restoration of supply to the greater Tongaat area.

The department undertaken full assessment and, where identified, re-design of the bulk pipelines was urgently required.

The cost arising from the three variation orders is R 3 343 239.08 (Three Million Three Hundred and Forty-Three Thousand Two Hundred and Thirty-Nine Rand Eight Cents).

Table 3: Summary of Costs Arising from Variation Orders

Variation Order	Description	Amount
01	Flood Damage Assessment	R 320,977.50
02	Detailed Design and Preparation of Procurement Documents for Remediation of the Works	R 1,999,591.58
03	Bulk Pipeline Assessments and Hydrological Study	R 1,022,670.00
Total Amount for Variation Orders 01-03		R 3,343,239.08

Additional Costs due to Additional Scope of Work under Contract PSC2019/007

During the implementation of remedial work, additional scope for improvements to Works was identified, but due to time and cost considerations, this work could not be undertaken under Contract No. WS7552 and Contract No. PSC2022/006. It was determined that the additional scope would be undertaken under Contract No. PSC2019/008. The cost of additional scope of work is R 1 466 940.00 (One Million Four Hundred and Sixty-Six Thousand Nine Hundred and Forty Rand).

Table 4: Summary of Additional Costs arising from the Additional Scope of Work

No.	Item	Cost
1	Hydraulic Assessment of the Existing Works	R 106,040.00
2	Tongaat WTW Capacity Assessment	R 234,880.00
3	Raw Water offtake to TWTW	R 50,820.00
4	Inlet Works	R 72,820.00
5	Clarifiers inlet	R 24,750.00
6	Filters inlet	R 160,340.00
7	Process Pumping/Blower Equipment	R 92,720.00
8	Chemical Dosing Systems	R 132,880.00
9	Clear Water Reservoir	R 10,480.00
10	Backwash Recovery tank	R 33,680.00
11	Onsite Chambers	R 28,440.00
12	Pipework Within TWTW	R 14,220.00
13	Administration Building	R 74,840.00
14	Pump Station	R 36,310.00
15	Mechanical Dewatering / Sludge Disposal	R 300,000.00
16	Electrical Upgrade (Harmonics)	R 385,000.00
17	Functional Design Specifications	R 49,640.00
Total Additional Costs due to Additional Work		R 1,807,860.00

Additional Costs due to Design and Construction Monitoring of Bulk Pipelines Tongaat WTW System

As discussed above, during the commissioning of works under Contract No. WS7552, there were significant number of bursts on the bulk pipelines from the Works. The impact of these bursts was delay in the restoration of supply to the greater Tongaat area. The department undertaken full assessment and, where identified, re-design of the pipelines was urgently required.

To this end, Variation Order 03 was issued to Naidu-MSW JV to undertake assessments of the bulk pipelines. The cost of the remainder of the work i.e. the design and construction monitoring of the bulk pipelines is R 8 983 250.00 (Eight Million Nine Hundred and Eighty Three Thousand Two Hundred and Fifty Rand).

Table 5: Summary of Additional Costs Arising from Design and Construction Monitoring of Bulk Pipelines in Tongaat WTW System Pipeline.

No.	Item	Cost
1	Tongaat WTW to Belvedere Bulk Pipeline	R 621,171.48
2	Tongaat WTW to Mamba Ridge System (Including the Mamba Ridge to Jan Roz Bulk Pipeline)	R 738,299.41
3	Tongaat WTW to Tongaat South Bulk Pipeline	R 664,345.69

4	Tongaat WTW to Metcalfe Bulk Pipeline	R 629,745.00
5	Allowance for design and construction monitoring of Cathodic Protection for bulk pipelines	R 750,000.00
6	Allowance for topographical survey for the bulk pipeline to be replaced	R 550,000.00
7	Allowance for geotechnical investigations for the bulk pipeline portions to be replaced	R 825,000.00
8	Design of the upgrade of the Hambanathi pumps	R 467,688.42
9	Contract administration and construction monitoring for the bulk pipelines construction contract	R 3,737,000.00
Total Additional Costs due to Additional Work		R 8,983,250.00

Additional Time for Contract No. PSC2019/007

Contract no. PSC2019/007 commenced on 26 November 2021. Due to the flood damage and after the flood event on 11 April 2022, all work on the scope of work for Contract PSC2019/007 stopped five months into the contract to allow the Project Team to focus on the design and implementation of the remedial of the Works. The duration of the remedial work was 11 months with commencement in April 2022, the work was concluded in February 2023. Work recommenced in March 2023 with a revision of the scope of work due to the implementation of the remedial work. Thus, the impact of the remedial work was a requirement for an additional 12 months of the contract performance period.

The inclusion of the Tongaat WTW system bulk pipelines assessment, design and construction monitoring has resulted in a requirement for an additional 10 months of contract performance period.

The total extension of time arising from the remedial work and the additional scope of work is 22 months. The current completion date is 26 November 2024, and new completion date is 26 September 2026. The extension of performance period required is outlined in Table 6 below.

Table 6: Summary of Extension of Performance Period

Description	Date/Duration
Contract Duration	36
Remediation Work	11
Revised Scoping	1
Additional Work for Pipeline Design and Construction	10
Contract Start Date	26 November 2021
Contract End Date	26 November 2024
Revised end date	26 September 2026

Table 7: Summary of Additional Costs for Contract No. PSC2019/007

Item No.	Description	Additional Cost*
1	Variation Orders No. 01-03	R 3,343,239.08

2	Additional scope for improvements to the Works	R 1,807,860.00
3	Design and Construction Supervision of the pipelines in the Tongaat WTW's system	R 8,983,250.00
Total Additional Cost		R 14,134,349.08

Summary of Financial Status of Contract No. PSC2019/007

Item No.	Description	Amount (Excl VAT)
1	Net Tendered Sum (Excluding VAT)	R 9,958,783.28
2	Allowance for Contingencies (10%)	R 497,939.16
3	Allowance for Escalation	R 639,021.93
4	Current Financial Authority	R 11,095,744.37
5	Payments to date	R 5,885,693.21
6	Available Contract Authority	R 5,210,051.16
7	Add: Estimated increase in contract budget	R 14,134,349.08
8	Revised Contract Financial Authority	R 25,230,093.45

It is noted that the original contract authority of R11 095 744.37 (including provisional sums, allowances, contingencies and escalation) was for a scope of works with a construction estimates of approximately R40M (excl. VAT). The inclusion of the additional scope for improvements to the works and the bulk pipelines has resulted in a revised construction estimate of approximately R225M (excl. VAT). The revised contract financial authority of R 25 230 093.45 is approximately 11% of the construction value which is aligned with ECSA (Engineering Council of South Africa) Fee Guidelines.

Financial Year	Budget Provision	Comment
2024/2025	R 7,500,000.00	Provided 23-25 MTREF
2025/2026	R 6,634,349.08	Provided 23-25 MTREF
Project No. X8356		

The report complies with the reporting requirements in terms of the Supply Chain Management Policy 2023, Section 55 and Section 116 Compliance Report Circular dated 15 September 2022. A summary of this compliance is shown in the Table below:

Summary of Section 55 and Section 116 Compliance Report Compliance.

Compliance Requirement	Proof of Compliance
(i) proof that the contract or agreement procured was through the supply chain management policy	Letter of Awards is attached as Annexure 1.

Compliance Requirement	Proof of Compliance
(ii) proof that there is a written contract in place	The Contractor has entered into a signed Contract. The signed Form of Acceptance is attached as Annexure 5.
(iii) proof that the contract has been monitored on a monthly basis in terms of Section 116(2)(b) of the Act;	The monthly performance monitoring reports and progress meeting minutes are included as Annexure 6.
(iv) proof that the contract has been reported on in terms of Section 116(2)(d) of the Act;	The Contract is being reported on a quarterly basis to MPAC by SCM, as evidenced by the quarterly performance monitoring reports, submitted to SCM, Annexure 7.
(v) proof and motivation that the reasons for the proposed amendments are valid	The motivation is provided in the body of this report.
(vi) proof that the draft for EXCO has appropriate content;	The content of the report has been derived based on the requirements of the SCM policy and the Section 116 Compliance Report Circular dated 15 September 2022 as evidenced by this table.
(vii) advert for the proposed amendments in terms of Section 116(3) (b) (i) & (ii) of the MFMA	Attached as Annexure 8.
(viii) proof of the public views regarding the proposed amendment to the contract.	Attached as Annexure 9 – no comments received.
Additional amount as a result of the amendment	The additional amount as a result of the amendment is included in the body of this report.
All implications of the proposed amendment	All implications of the proposed amendment are included in the body of this report.

With the Committee noting compliance requirements associated with this matter,

COMMITTEE RECOMMENDS:

- 2.14.1 That Council notes the following reasons for amending Contract No.: PSC2019/007 in terms of Section 116(3) of the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003 for the improvement to the Tongaat Water Treatment Works, awarded to Naidu MSW JV in terms of the notification of award dated 26 November 2021:
- a) Variation orders for remedial work
 - b) Additional scope of work for improvement to the works
 - c) Additional scope of works for assessment, design and construction supervision of pipelines in the Tongaat WTW system
 - d) Additional time due to remedial work and additional scope
- 2.14.2 That the Council notes the public participation process advertised through the media, in terms of Section 116(3) of the MFMA, as part of achieving compliance requirements pertaining to the public participation process to invite public comments on the proposed contract amendment, and that there were no comments received in this regard.
- 2.14.4 That Council notes financial implications of the proposed amendment is that contract authority of R11 095 744.37 (Eleven Million and Ninety Five Thousand Seven

Hundred and Forty Four Rand Thirty Seven Cents), excluding VAT), be increase by R14 134 349.08 (Fourteen Million One Hundred and Thirty Four Thousand Three Hundred and Forty Nine Rand Eight Cents), excluding VAT, to R25 230 093.45 (Twenty Five Million Two Hundred and Thirty Thousand and Ninety Three Rand Forty Five Cents), excluding VAT, the period of performance to be extended from 36 to 58 months, and the corresponding practical completion date to be revised from 26 November 2023 (Original completion date) to 26 September 2026.

Financial Implications

Description	Amount
Net tendered sum (Excl VAT)	R9 958 783.28
Allowance for contingencies	R497 939.16
Allowance for Escalation	R639 021.93
Current financial authority	R11 095 744.37
Payments to date	R5 885 693.21
Available contract authority	R5 210 051.16
ADD: Estimated increase in contract budget	R14 134 349.08
Revised contract financial authority	R25 230 093.45

Financial year	Budget provision	comment
2024/2025	R7 500 000	Provide 23-25 MTREF
2025/2026	R6 634 349.08	Provided 23-25 MTREF
Project No: X8356		

Commenting on the matter, the DA noted the report, however, they expressed a view that the Trading Services Cluster, particularly, the Water and Sanitation Unit is in a crisis, due to ongoing outages and sewer spillages. They welcomed the Tongaat Water Treatment Works (TWTW) upgrades, although, they cited that it is moving at a slow pace. They indicated that the City's infrastructure cannot be repaired in piecemeal but that a City-wide strategic plan for infrastructure upgrade is required.

With regards to the TWTW, it was indicated that there is lack of preventative maintenance, failure to upgrade infrastructure to meet demand, defective telemetry, inadequate fleet, and stores supplies; system not properly operated thus resulting in continued daily outages. They further expressed a concern that the TWTW project completion date has been revised from 26 November 2023 to 26 September 2026, emphasis being made that project deadlines must be adhered to all the time.

Also commenting on the matter, the ADEC welcomed the report and concurred with the above sentiments, further mentioning that there is a dire need for uninterrupted water supply at Tongaat, due to the area having the highest water burst within the Municipality. A call was made for all political parties to support budget approvals for projects. A proposal being made that a progress report on measures to be put in place to ensure that Tongaat communities continue to receive uninterrupted water supply, be submitted to the Support Committee.

*Thereafter, the above recommendations were, **NOTED.***

2.15

Request for Authority in terms of Section 116(3) of the Municipal Finance Management Act to Incur Expenditure in respect of Rehabilitation of Storm Damaged Bulk Infrastructure Services on Municipal Capital Assets (Erven 697,970 and 973 of Cornubia, Intended to be used for delivery of Gap/First Home Finance Subsidy Housing (22/7/1/1/3)

(Page 580: Human Settlements and Infrastructure Committee - Agenda 2023-11-22)

The Committee received a report to note reasons to incur expenditure in the amount of R24 044 208.58 (Twenty-Four Million and Forty-Four Thousand Two Hundred and Eight Rand Fifty-Eight Cents) for Contract No.: 1H3645, in terms of Section 116(3) of the Local Government: Municipal Finance Management Act No. 26 of 2003 in respect of the rehabilitation of storm damaged Bulk Services Infrastructure for the delivery of affordable First Home Finance Subsidy Housing on the following Municipal-owned properties described as:

- Erf 697 Cornubia, measuring in extent of 3681m2 depicted on SJ Plan Number SG 821/2019;
- Erf 970 Cornubia, measuring in extent of 3366m2 depicted on SJ Plan Number SG 670/2019; and
- Erf 973 Cornubia, measuring in extent of 2842m2 depicted on SJ Plan Number SG 671/2019.

DAMAGE IN RESPECT OF THE BULK SERVICES INFRASTRUCTURE

- In April 2021 the Human Settlements Unit prepared a report seeking approval from the Municipal Council to alienate the Properties in terms of Regulation 5(1) (b), read with Regulation 7 and 12 of the Municipal Asset Transfer Regulations, 2008 (MATR), Section 14(2) (a) and (b) of the Municipal Finance Management Act No 56 of 2003 (MFMA) and to declare in terms Section 14 of the MFMA that the Properties are not needed to provide the minimum level basic municipal services and can therefore be transferred to Private Developers for GAP/Affordable Housing Purposes.
- At a sitting of Full Council during a meeting convened on 27 May 2021, the Municipal Council passed a resolution authorising the alienation of the Properties for purposes of developing affordable housing thereon.
- The Human Settlements Unit accordingly initiated SCM process and obtained approval from the Bid Specification Committee (BSC) on 18 October 2021 to advertise a call for proposals from private developers to partner with the City in the development of GAP Housing on serviced sites located within Erven 697, 970 and 973 Cornubia being part of the Cornubia Phase 1B Integrated Housing Project.
- Tender was advertised under Contract Number: 1H-3645 on 29 October 2021 with a tender closing date of 28 January 2021.
- After obtaining approval from the Bid Evaluation committee (BEC) as well as the Bid Adjudication Committee (BAC), successful bidder was appointed on 16 August 2022.
- Immediately upon receiving letter of award from SCM, the Human Settlements Unit instructed the Legal Services Unit on 22 August 2022 to assist with the preparation of a Land Availability Agreement which will confer development rights over the properties from the Municipality to the appointed developer in respect of the affordable housing development.
- Upon receiving instructions from the Human Settlements Unit, the Legal Services Unit attended on the preparation of the Land Availability Agreement which was finalised on 24 November 2022 and signed by the City Manager and the Developer.

- The developer was accordingly obliged to commence with its planning in respect of affordable housing development so that it can submit detailed drawings to the Development Planning Unit as well as submit its credit finance application to, amongst others, the National Housing Finance Corporation SOC Ltd.
- As part of its planning processes, the Developer's professional team commenced with the requisite onsite inspections and land surveys. During these processes it became apparent to the developer's professional team that the existing bulk services on the Properties had become damaged.
- The developer accordingly commissioned its professional team to undertake conditional assessment of the bulk infrastructure services on the Properties so that an informed decision would be made on how the damages to the bulk infrastructure services would be dealt with.
- As part of the Developer's Engineering team's terms of reference they were instructed to compile detailed conditional assessment report together with detailed infrastructure bill of quantities to quantify the extent of the damage and the costs of rehabilitation.
- The Developer informed the Human Settlements Unit of its findings in this regard.
- The Human Settlements Unit established through its Housing Engineering Department that the bulk infrastructure services had been transferred to Water and Sanitation in 2017 and had since become an EWS asset.
- As such, the Human Settlements Unit requested the Water and Sanitation Infrastructure Department as the asset owners to lend support to this process by vetting the conditional assessment report generated by the Developer's professional team as well as the infrastructure bill of quantities included therein with the support of the Housing Engineering Department.
- After numerous on-site meetings and assessments conducted jointly between the developer's professional team together with the Municipality's Water and Sanitation Infrastructure Department and Human Settlements Officials, a conditional assessment report was generated and vetted by the Water and Sanitation Infrastructure team and Housing Engineering accordingly.
- The Water and Sanitation Department confirmed that the bulk infrastructure services in respect of the Cornubia Phase1B First Home Finance Subsidy Housing development are an asset belonging to EWS as part of the existing water and sanitation supply system.
- EWS further indicated that the infrastructure in respect of the Gap Housing sites forming part of Cornubia Phase1B was currently not in use and was accordingly not a priority for EWS in terms of effecting the required repairs as it did not form part of their live network. EWS accordingly did not prioritise it in terms of budget allocation as their priorities were to allocate funding to live projects.
- EWS indicated that they would, however, consent to the Human Settlements Unit allocating a budget vote for purposes of effecting the necessary civil works

to rehabilitate the damaged bulk infrastructure services through the appointed developer's engineering consultant and contractor in order to unlock the 232 Affordable Housing units.

- Funding will be allocated from the Human Settlements budget for this purpose with EWS providing the necessary technical support and playing an oversight role in respect of the works over the EWS infrastructure assets.
- The only reasonable explanation that we can proffer from the Civil Engineer's conditional assessment, as to the underlying cause of the extensive damage to the bulk infrastructure services on the Properties is that the destruction was occasioned by either the 2019 storm or the April 2022 floods or both.
- The Municipality bears the onus of effecting the necessary repairs as the appointment of the developer was conditional upon the sites being fully serviced. The Developer was appointed on the basis that there are existing services on the ground and on the basis that the sites were fully serviced with bulk infrastructure in respect of the 232 gap housing units.

APPLICABILITY OF SECTION 116(3)

- The Developer was appointed on the basis that they would be given development rights over the fully serviced Municipal-owned sites to develop the 232 affordable housing units for the gap housing market.
- Appointment of the Developer did not contemplate that they would be paid for the rehabilitative civil works that is required in respect of the damaged bulk infrastructure services.
- The payment that is sought to be made to the Developer accordingly constitutes a major variation of the Developer's Contract with the City and, as such, invokes the provisions of Section 116 (3) of the MFMA.
- Ordinarily, it would have become necessary for the Human Settlements Unit to initiate the SCM process for the appointment of a Contractor that would undertake the civil works required to rehabilitate the damaged bulk services infrastructure. It is, however, more prudent and cost effective to vary the appointed Developer's Contract to undertake the civil works given that the Developer was appointed with a full multi-disciplinary professional team and a CIDB Grade 9 CE Contractor already vetted and evaluated by the BEC and the BAC.
- To initiate new SCM process at this stage would result in extensive delays in the delivery of the 232 affordable housing units as it would not take less than 14 months to appoint new professional team and contractor to undertake the civil works before construction of the units can commence.
- Site was handed over to the Developer with its multi-disciplinary professional team and contractor already on the ground, and it would not make any operational or financial sense to remove them from and hand the site over to a new team only for them to go back to site once the new team has completed the works.

- It is on the abovementioned basis that authority is sought to commence with the Section 116 (3) process to obtain Council support, undertake a public participation process and obtain approval from the BAC for the major variation of the Developer's contract.

With the Committee noting compliance requirements associated with this matter,

COMMITTEE RECOMMENDS:

- 2.15.1 That the Council notes the following reasons for amending Contract 1H3645 in terms of Section 116 (3) of the Local Government: Municipal Finance Management Act No.: 56 of 2003 to incur expenditure in the amount of R24 044 208.58 (Twenty Four Million and Forty Four Thousand Two Hundred and Eight Rand Fifty Eight Cents) for the rehabilitation of storm damaged Bulk Services Infrastructure for the delivery of affordable First Home Finance Subsidy Housing on the following Municipal owned properties described as:
- (a) Erf 697 Cornubia, measuring in extent of 3681m2 depicted on SJ Plan number SG 821/2019;
 - (b) Erf 970 Cornubia, measuring in extent of 3366m2 depicted on SJ Plan number SG 670/2019; and
 - (c) Erf 973 Cornubia measuring in extent of 2842m2 depicted on SJ Plan number SG 671/2019.
- 2.15.2 That subject to the adoption of the above, the City Manager records the reasons for any deviations and report it to the next meeting of Council and include it as a note to the annual financial statements.

Financial Implications

- The financial implications to the Municipality are the amount of R24 044 208.58 (Twenty Four Million Forty Four Thousand Two Hundred and Eight Rands and Fifty Eight Cents Only) as quantified by the developer's professional team and as vetted by our Water and Sanitation Infrastructure and supported by our Housing Engineering Department in respect of the rehabilitation of storm damaged bulk services infrastructure for the delivery of affordable housing on the following Municipal owned properties.
- The Universal Services Development Grant (USDG) will be utilised for this purpose as this relates to the rehabilitation of damaged bulk services infrastructure falling within the scope of the USDG.

In noting the report, the DA however stated that the Cornubia area as the Presidential Catalytic Project, particularly, the industrial area was burnt to the ground during the July 2021 Civil Unrest, due to what was cited as political instability within the ruling party, and the community finding an opportunity to loot goods and services, due to lack of opportunities.

The slow pace in delivery of RDP houses was concerning, therefore, the First Home Finance Subsidy Housing projects was supported, due to work opportunities to be opened and the type of envisaged houses. Concern was also expressed that the Cornubia RDP houses were still not categorized into street names; that the construction of school still remain uncompleted, also that there were no Parks, Library and security due to non-functional streetlights, it being emphasised that the community in that area also deserves to be treated with dignity and to live in harmony.

*Accordingly, the above recommendations were, **NOTED.***

3. REPORT OF THE COMMUNITY SERVICES COMMITTEE: MEETING HELD 2023-11-23.

(Page R35)

3.1 Review of Collaboration Agreement Including Access Policy and Data Sharing Agreement Between eThekweni Municipality as Represented by Durban Natural Science Museum and the South African National Biodiversity Institute in the form of Natural Science Collections Facility (35/2/R)

(Page 117: Community Services Committee - Agenda 2023-11-23)

The previous Collaboration Agreement formulated in 2020 and entered into between eThekweni Municipality as represented by the Durban Natural Science Museum (DNSM) and the South African National Biodiversity Institute (SANBI) in the form of natural science collections facility had recently expired in June 2023. It is imperative for the Municipality to renew this agreement because the Municipality is still interested to transform current fragmented natural science collections landscape by establishing the Natural Science Collection Facility (NSCF) with participatory planning and collaborative implementation. Ensure that appropriate capacity is available for curate collection and manage data.

Also, to expand the investment in collections and associated research. Further, that this collaboration agreement speaks to participation of institutions holding natural science collections in the activities required to meet objectives. The Municipality through its Durban Natural Science wants to expand on its objectives by including best -practice curation and expansion of its collection and mainstreaming information exchange, resource sharing and capacity development to aid in the conversation and sustainability of biodiversity. Authority is therefore sought to draw a new formal Collaboration Agreement. Mention was made that such Collaborative Agreement was inclusive of an Access Policy and a Data-sharing Agreement between the eThekweni Municipality as represented by DNSM, situated within the Libraries and Heritage Department of the Parks, Recreation and Culture Unit and the SANBI in the form of its NSCF.

COMMITTEE RECOMMENDS:

3.1.1 That authority be granted for the Head: Parks, Recreation and Culture to facilitate the review of collaborative agreement between eThekweni Municipality as represented by the Durban Natural Science Museum and the South African National Biodiversity Institute (SANBI) in the form of natural science collections facility.

3.1.2 That subject to the approval of 1 above, and the development of the revised agreement vetted accordingly by the Legal and Compliance Unit, authority be granted to the City Manager to enter and sign the agreement for parties to being in working relationship according to the terms and conditions contained therein, including the funding aspect.

ADOPTED.

3.2 Request to Proclaim Empisini Nature Reserve in accordance with The Natural Environmental Management Protected Areas Act 57 of 2003

(Page 143: Community Services Committee – Agenda 2023-11-23)

In the previous years, eThekweni Municipality has been involved in the process of proclaiming Nature Reserves to ensure the continued conservation of biodiversity and providing ecological goods and services. Thus far the city has proclaimed all 11

Nature Reserves (New Germany, Paradise Valley, Pigeon Valley, Burman Bush, Virginia Bush, Springside, Marinwood, Silverglen, Roosfontein, Palmiet and Giba Gorge) under National Environmental Management Protected Areas Act and the Kwa-Zulu Natal Provincial Act. Therefore, this report serves as the request to proclaim Empisini Nature Reserve which was not proclaimed during the proclamation of the abovementioned nature reserves.

Proclamation of the Empisini Nature Reserve located from the southern side of the city is needed to protect and conserve the natural environment, biodiversity, and cultural heritage of this reserve. Empisini Nature Reserve covers an area of approximately 90 hectares and included in the variety of ecosystems, including a coastal forest, grassland, wetlands, and riverine habitats. It is also a home to a diverse range of wildlife, including several endangered and threatened species such as Blue Duiker and Spotted Ground-Thrush.

This nature reserve is also known for its rich biodiversity, a home to more than 1000 species of plants and animals. It was identified as Biodiversity hotspot due to the abundance of environmental services as it provides such as food, water, regulation of streamflow, supporting services.

Formal protection of Empisini Nature Reserve afforded by the proclamation will ensure continued conservation of biodiversity and provide mitigation measures to challenges experienced by Urban PAs.

COMMITTEE RECOMMENDS:

That Head: Parks, Recreation and Culture be granted authority to incur expenditure to the amount of R200 000.00 (Two Hundred Thousand Rand) to facilitate the process of proclamation for the Empisini Nature Reserve in the form of Proclamation of nature reserve will have implications of around R200 000 for ecological survey, registration and proclamation Notices and to sign all necessary documents that may be required to complete the proclamation process.

Financial Implications:

R200 000.00 FC No:2023/2024 50/1331

ADOPTED.

3.3

Request for Authority to Implement Recognition of Prior Learning Programme for Enrolled Nurses to Further their Studies and Become Professional Nurses (6/2/3/R)
(Page 167: Community Services Committee - Supplementary Agenda-2023-11-23)

The eThekweni Municipality Health Unit currently has a number one hundred and thirty-seven (137) Nurses that have missed opportunity to further their studies to internal budget constraints. Meanwhile, the south nursing council subsequently revised the nursing curriculum and introduced new courses that recognise staff with prior learning.

Recently an advert for training was released by Department of Health and the prerequisite was the recognition of prior learning. Upon benchmarking from counterparts' institutions, it was ascertained that such recognition is being done by KZN College of Nursing where portfolio evidence was being submitted and where tests to qualify were undertaken.

These Nursing staff referred to above play a crucial role at Primary Health Care level as they assist with vital components of service delivery. Upgrading their skills would benefit their livelihood and that of the citizens of eThekweni. As clinics will be transferred to the Department of Health, this would allow them to be at the same level as their colleagues and boost their morale. Part of the workforce management is to improve their skills and afford them better opportunities in their career path. Working with dedicated and satisfied employees improves service delivery and reduces disgruntled staff members.

Financial implications have not been ascertained; however, an expectation or suggestion would be for the Municipality to enter into a Memorandum of Understanding with the Department of Health. The outcome thereof will give an indication of how the enrolled nurses will be accommodated to access opportunities as a result of recognition of prior learning.

In view of the foregoing,

COMMITTEE RECOMMENDS:

- 3.3.1 That Council notes current disadvantage suffered by enrolled nurses through lack of improving their studies thereby lagging behind its counterparts in certain elements.
- 3.3.2 That to bridge the gap and in preparation for the Clinics to be handed over to the Kwazulu-Natal (KZN) Department of Health, Council supports initiatives by eThekweni Municipality to facilitate skills upgrade to be on par with the Team in the KZN Department of Health and in particular as the primary health service is going to be taken over by the Department.

ADOPTED.

- 3.4 Annual Report for Air Quality Management 2021 (30/2/4/2/2/3)
(Page 170: Community Services Committee - Supplementary Agenda -2023-11-23)

Committee was appraised on a state of air in the city and the progress regarding the implementation of Air Quality Management Plan in the eThekweni Municipal area on its 4th year implementation of the 2nd generation Air Quality Management Plan.

The National Framework for Air Quality Management 2017 defines various responsibilities that the Municipalities have in relation to National Environment Management (NEM): Air Quality Act (AQA). One of the responsibilities is therefore implemented through this report as stated in Chapter 3, Section 17 of the NEM: AQA which is to prepare Annual Reports which should include the following:

- Air quality initiatives undertaken by the Municipality during the reporting
- Level of compliance with ambient air quality standards
- Measures taken by the Municipality to secure compliance with those standards
- Its compliance with any priority areas of air quality management plans applicable 30
- Its air quality monitoring activities

It being noted that an analysis of 12 months of ambient air quality data revealed that the air quality in eThekweni Municipality is generally good however there are few

hotspots as indicated by exceedances of the National Ambient Air Quality Standards for certain priority pollutants. This can be attributed to localized sources within these areas as well as the dry stable conditions (low dispersion from little or no wind and rain resulting in higher concentrations at ground level.

COMMITTEE RECOMMENDS:

That the Council approves the 2021 Annual Report for Air Quality Management in compliance with progress regarding the Implementation of Air Quality Plan in eThekweni Municipal area on its 4th year implementation of the second generation of Air Quality Management Plan and to continue support all related initiatives going forward, to ensure that the City remains compliant to relevant prescripts and strives to close all identified gaps as per plan.

ADOPTED.

3.5

Annual Report for Air Quality Management 2022 (30/2/4/2/2/3)

(Page199: Community Services Committee - Supplementary Agenda - 2023-11-23)

The aim of the report is to provide air quality information for 2022 to Council, Management and or the public for them to assess the air quality in relation to their environment and to the basis of their right to an environment that is not harmful to their health and wellbeing.

The National Framework for Air Quality Management 2017 defines various responsibilities that the Municipalities have in relation to National Environment Management (NEM): Air Quality Act(AQA). One of the responsibilities is therefore implemented through this report as stated in Chapter 3, Section 17 of the NEM: AQA which is to prepare Annual Reports which should include the following:

- Air quality initiatives undertaken by the Municipality during the reporting
- Level of compliance with ambient air quality standards
- Measures taken by the Municipality to secure compliance with those standards
- Its compliance with any priority areas of air quality management plans applicable 30
- Its air quality monitoring activities

In summary, the report covered all air quality management activities performed by eThekweni Municipality's Health Unit (Pollution and Risk Management) for the year 2022. In relation to ambient air quality, the City experienced exceedances in areas like New Germany and Wentworth Monitoring Stations and this can be mainly attributed to the weather patterns. The exceedance of SO₂ National Ambient Air Quality Standards (NAAQS) at Umkomaas monitoring station is linked to the pulp industry around the area.

Twenty-seven (27) Atmospheric Emission License were processed (including renewals and transfers) in 2022. Five (05) pre-directives were issued, and six sector audits were conducted by the compliance section. A number of Air Quality Management Plans Projects have been implemented since the adoption of the Plan by Council and in a Bottom-Up Vehicle Emission Inventory as completed, ambient air quality improvement projects such as those around Coedmore area and Isipingo and continuously being implemented.

Following consideration,

COMMITTEE RECOMMENDS:

That the Council approves the 2022 Annual Report for Air Quality Management in compliance with progress regarding the Implementation of Air Quality Management Plan in eThekweni Municipal area and to continue support all related initiatives going forward, to ensure that the City remains compliant to relevant prescripts and strives to close all identified gaps as per plan.

ADOPTED.

- 3.6 Request for Approval to Exchange Birds Between Umngeni River Bird Park and Amazona Endangered Parrot Breeding Facility (31/1/1/1)
(Page 249: Community Services Committee - Supplementary Agenda - 2023-11-23)

The purpose of the report is to seek Council approval for exchange of Birds between Council's Umngeni River Bird Park (URBP) and Amazona Endangered Parrot Breeding Facility, of equal values as per the attached list.

It was brought to the attention of the Committee that on the 2009-12-03, Council adopted the purchase of Umngeni River Bird Park and part of the bird collection from Tsogo Sun. The purchase of the land and the bird collection were concluded, and the management of the Umngeni River Bird Park commenced on the 3rd May 2010 whilst transfer of property took place on the 06th January 2011. The Bird collection at Umngeni River Bird Park has attracted many visitors over the years.

Motivation is based on the fact that the birds in the Umngeni Bird Park produced a number of offspring over the past years, resulting in surplus birds stock and hence request for the exchange of Birds with Amazona Endangered Parrot Breeding Facility. This proposed exchange will enhance the collections at Umngeni River Bird Park and will add value taking into account Council's IDP in particular.

Thereafter;

COMMITTEE RECOMMENDS:

- 3.6.1 That the Head: Parks, Recreation and Culture Unit be granted authority to arrange for the exchange of the birds of equal value between Council's Umngeni River Bird Park and Amazona Endangered Parrot Breeding facility to the value of R63 000.00 (Sixty Three thousand Rands) by July 2024.
- 3.6.2 That the list of birds in terms of Zoological Information Management System (ZIMS) be updated to reflect the birds received by Umngeni River Bird Park and Amazona Endangered Parrot Breeding Facility from Amazona endangered and vice versa.

ADOPTED.

- 3.7 Request for Additional Funds for Soup Kitchen Project (19/1/1/1/2)

(Page 280: Community Services Committee -Second Supplementary Agenda-2023-11-23

As part of Poverty Alleviation Programmes, the Community Participation and Action Support Unit is currently running eighty-six (86) functional soup kitchen sites spread widely across the Wards within the jurisdiction of the eThekweni Municipality. Soup kitchens operations are run by Ward/Community-Based Volunteers who prepare meals for distribution to beneficiaries of the Programme.

Therefore, the purpose of this report is to seek additional funds via savings, to be identified in the 2023/2024 financial year for the Unit to implement the following:

- Review of stipend payable to Volunteers operating soup kitchens
- To expand the project by adding six (06) sites and thus completing implementation of the Council resolution relating to the establishment of another eighteen (18) sites in the 2018/2019 financial year.

Review of Stipend Payable to Volunteers Operating Soup Kitchens:

Soup Kitchens were established by engaging Volunteers from local communities to operate them on a daily basis. All Volunteers are unemployed and dedicate their time and energy towards the success of this project. The challenge is since 2018 Volunteers have not received an increase in stipend for travelling to the soup kitchen sites and this has resulted to the highest turnover rate of Volunteers due to insufficient compensation.

The ever-increasing transport costs necessitated this proposal that a stipend be reviewed from R175.00 per day since 2018 to R195 per day, with effect from 01 July 2023, and taking into account stringent budget constraints.

Soup Kitchen Drivers

Since some beneficiaries of the Soup Kitchen Projects are located a distance far from the operational site, to address this challenge, private transport owners are engaged to transport soup to identified sites away from the actual soup kitchen site.

Drivers have not received increase and they are still receiving daily stipend of R260.00 (Two Hundred and Sixty Rand) since 2018 for transport services, and without considering distance travelled; number of areas covered by each driver; repair costs; and vehicle fuel.

In this regard, it is proposed that a daily rate payable to Drivers to transport soup to beneficiaries be increased from R260.00 to R300.00 per day with effect from 01 July 2023, and taking into account stringent budget constraints.

Completion of Phase 5 Expansion Programme

At its meeting of 27 September 2010, the Council resolved, inter alia, to grant authority to the Head: Community Participation and Action Support to implement Phase 5 of the Soup Kitchen Expansion Programme regarding the establishment of additional 18 Soup Kitchens in the 2018/2019 financial year. However, due to budget constraints, only 12 sites were established during the last 5-year period. The impact of the Covid-19 pandemic also contributed to halting this project because funds had to be reprioritised to address challenges of the pandemic at the time.

As the need still exists to establish additional soup kitchens, authority is sought to secure funding for this purpose in the 2023/2024 financial year to complete establishment of the remaining 6 additional sites and complete Phase 5 Expansion Programme. However, the additional 6 sites can only be operational with effect from 01 December 2023 due to procurement of the infrastructure and operational to set up soup kitchens. Therefore, funding of seven (07) months of this financial year will be required for these 6 additional sites to cover expenditure on groceries, bread, gas supply, stipends for volunteers, kitchen utensils etc.

Launch of Soup Kitchens

Soup kitchens already established in the last five years have never been formally launched to local communities and surrounding areas. Therefore, after the establishment of the 6 outstanding sites, it is envisaged that a formal launch of all 18 sites established be undertaken to introduce the community to the soup kitchen facility in the respective areas.

Procurement of Steel Containers for 25 sites

At its meeting held on 31 May 2023, Council approved capital budget funding for the procurement of steel containers for additional 25 sites comprising 25 x 6 metre steel containers and 25x3 metre steel containers to proceed with the Soup Kitchen Expansion Programme. An amount of R2 500 000.00 (Two Million Five Hundred Thousand) was made available to complete this project in the 2022-23 financial year, but procurement could not be finalised timeously due to time constraints between approval and financial year-end.

With the Committee appreciating successful implementation of the Soup Kitchens Programme; and supporting proposal to strengthen this Programme for the benefit of both Volunteers and Beneficiaries,

COMMITTEE RECOMMENDS:

- 3.7.1 That authority be granted for the Head: Community Participation and Action Support to review stipend payable to the Soup Kitchens Volunteers from R175.00 (One Hundred and Seventy-Five Rand) to R195 (One Hundred and Ninety-Five Rand) per day, with effect from 01 July 2023, and to be paid retrospectively.
- 3.7.2 That authority be granted for the Head: Community Participation and Action Support to review stipend payable to the Soup Kitchens Driver Volunteers who provides soup delivery services to beneficiaries residing far from the actual soup kitchens' location, the stipend to be reviewed from an amount of R260.00 (Two Hundred and Sixty Rand) to R300.00 (Three Hundred Rand) per day, with effect from 01 July 2023, and to be paid retrospectively.
- 3.7.3 That authority be granted for the Head: Community Participation and Action Support to establish six (06) additional soup kitchen sites that will add to the twelve (12) existing sites in order to complete Phase 5 of the Soup Kitchens Expansion Programme approved in the 2018-19 financial year.
- 3.7.4 That the Council approves capital adjustment budget of R2 500 000.00 (Two Million and Five Hundred Thousand Rand) in the 2023/24 financial year to procure 25x6m and 25x3 steel containers to be used to operate soup kitchens.

3.7.5 That subject to the adoption of .1 to .4 above, authority be granted for the Deputy City Manager: Finance to identify savings to fund this expenditure.

3.7.6 That subject to the adoption of .1 to .5 above, authority be granted for the Head: Community Participation and Action Support to incur expenditure of the additional amount of R19 000 000.00 (Nineteen Million Rand) in operating expenditure to cater for revised stipend payable to the Soup Kitchens Volunteers; establish additional sites as part of Phase 5 Soup Kitchens Expansion Programme; Launch of the eighteen (18) soup kitchen sites, therefore, it being approved that the total financial implications for the expansion and review of stipend over the MTREF is as follows:

2023-24: R19 million
2024/25: R19 million
2025/26: R20 million

Financial Implications

Review of Stipend

No.	Details	Amount
	Soup Kitchen Volunteers	8 238 810.00

Completion of Phase 5 expansion (6 sites)

No.	Details	Amount
1.	Groceries (6 sites x R43 000 per site x 7 months)	1 806 000.00
2.	Breads (6 sites x 2400 loaves per month x 7months x R13.50 per loaf)	1360 800. 00
3.	Gas (6 sites x 5 cylinder per site for 7 months x R1800.00 per cylinder)	378 000.00
4.	Stipend for volunteers (48 volunteers x R195 per day x 22 x days x7 months)	1 441 440.00
5.	Stipends for drivers (6 drivers x R195 per day x 22days x7 months)	277 200.00
6.	Kitchen utensils, pots, crockery etc for sites @ R100 000 per site	600 000.00
7.	Uniform and Safety Gear for 54 volunteers @7500 per person	405 000.00
8.	Airtime for soup kitchen co-ordinators (92 x R500 per months x 9 months)	414 000.00
9.	Electricity vouchers (25 sites x R350 per months x 9 months)	78 750 00
	Total for 6 sites – Phase 5	6 761 190.00

Launch of soup kitchens

No.	Details	Amount
	Logistics to launch 18 soup kitchens established in Phase 5 of the expansion programme	4000 000.00

Procurement of Steel Containers for 25 sites-Capital Budget

No.	Details	Amount
	25 x 6m and 25 x 3 metre steel containers for new soup kitchens to be established – funded from CIP	2 500 000.00

Summary of financial implications – Operating

No.	Details	Amount
	Review of Stipends for existing volunteers	8 238 810.00
	Phase 5 expansion of sites	6 761 190.00
	Launch of soup kitchen site-once off	4000 000.00
	Total	19 000 000.00

Summary of financial implications – Capital

No.	Details	Amount
	Procurement of steel containers for 25 years	2 500 000.00

Funding – Operating

Transfer From:

No.	Expenditure	Vote Number	Amount
-----	-------------	-------------	--------

	Food Aid Programme	31077.Variou.12120.0000. MRC01.0010	19 000 000.00
--	--------------------	-------------------------------------	---------------

Transfer To:

No.	Expenditure	Vote Number	Amount
	Honoraria - Stipends	32309.19000.12120.0000.57100.0010	8 238 810.00
	Poverty Relief (Bread & Groceries)	32309.24410-19.12120.0000.57100.0010	3 166 800
	Gas	32309.11500.12120.0000.57100.0010	378.000.00
	Airtime /Electricity	32309. 14105-10.12120.0000.57100.0010	492.750.00
	Consumables Items and safety gear	32309.14105-19.12120.0000.57100.0010	1 005 000.00
	Soup Kitchen Launch Expenditure	32309.11400.12120.0000.38870.0010	4000 000.00
	Total	2023-24 Financial Year	19 000 000.00
		2024-25 Financial Year (excluding launch costs)	19 000 000.00
		2025-26 Financial Year (excluding launch costs)	20 000 000.00

Funding -Capital

Transfer from respective Wards' CIP allocation for 2023-24 financial year

Transfer To:

No.	Expenditure	Vote Number	Amount
	Steel Containers	32309.45304.30015.0000.CPAS02AZ2.0010	2 500 000.00

Commenting on the matter, the APF and ANC shared similar sentiments, that Council should in future, consider increasing budget for the Soup Kitchen programme, as part of the poverty alleviation programmes. Mention being made that the programme was initially developed to assist people who are on chronic medication with daily meals, and the programme has since expanded to a large scale to assist all underprivileged communities within the Municipality.

ADOPTED.

(At this stage of the proceedings, time being 14h21, Council took a comfort break and later resumed at 16h00)

3.8

Request for Authority to Implement Community Participation and Action Support Unit's Consolidated Programme for 2023/2024 Financial Year (2/3/2/1/2) &(19/R)

(L109)

The purpose of this report is to seek approval for the implementation of the Programmes for the Community Participation and Action Support Unit in the 2023/2024 financial year. It being noted that the Programmes outlined in the report are part of the Unit Business Plan; Service Delivery and Budget Implementation Plan; and the approved 2023-24 financial year budget.

COMMITTEE RECOMMENDS:

That authority be granted for the Head: Community Participation and Action Support to co-ordinate and implement Programmes in the 2023/24 financial year, as listed in the table below and budgeted for, it being recorded that in the event of shortfall,

funding to be reprioritized within the approved Unit and/or Governance and International Relations Cluster, where required.

Planned Programmes to be implemented in 2023-24 Financial Year:

Grant-in-Aid, Policy, Administration and Community Liaison Section

Business Unit	Programmes	Budget (R)
1. Grant-in-Aid (32301)	Sundry Grants for Distribution	5 615 650
	Ad-hoc Grants	100 000
	Distribution Event Costs	162 500
	Application and Adjudication Costs	100 000
	Capacity Building Workshops	175 000
	Monitoring and Evaluation of Programme	20 000
	Internal Charges (Transport and Printing)	80 000
	Sub-Total	6 253 150
2. Policy (32308)	Policy Review	60 000
	Policy Development	78 920
	SLA and SOP (Develop and Review)	20 000
	MOU and MOA (Develop and Review)	20 000
	Sub-Total	178 920
3. Community Liaison and Monitoring (32317)	Communication Support	50 980
	Monitoring and Evaluation	25 000
	Promotional and Marketing	146 340
	Sub-Total	222 320
4. Administration (32302)	Municipal Running Costs-Salaries and Allowances	73 418 700
	Repairs and Maintenance	103 870
	General Expenses	5 191 830
	Internal Departmental Charges (Vehicle Hire, Insurance, Transport, Office Rental)	12 174 760
	Municipal Running Cost-Depreciation of Assets	731 730
	Workshops, Seminars and Training	132 850
	Sub-Total	91 753 740
	Total for GIA, Policy, and Admin Section	98 408 130

Regional Services Section

Business Unit	Programmes	Budget (R)
1. Special Projects (32305)	Ward based Support Programmes (National and Provincial Initiatives)	1 836 330
	Civic Recognition Support Programmes	734 532
	Sectoral Awareness Campaigns	1 101 798
	Internal Charges (Transport)	26 370
	Sub-Total	3 699 030
2. Masakhane (32306)	Masakhane Outreach Programme	3 331 650
	Community Roadshows	135 480
	Protest Management	163 580
	NPRC (ID Project)	5 666 530

	Disaster Relief		300 000
	Internal Charges (Transport)		359 890
	Internal Charges (Hall Hire)		100 000
	Sub-Total		10 057 130
3.Regional Co-Ordination (32310)	Provincial and National Commemoration Days (Human Rights Day, Freedom Day, Youth Day, Women's Day, Heritage Day, Transport Month, World Aids Day)		350 000
	Operation Sukuma Sakhe (OSS)		184 710
	Community Development Initiatives		290 895
	Community Mobilisation Initiatives		349 075
	Ward Based Support Programmes		523 610
	Civic and Voter Education Programmes		339 650
	Internal Charges (Transport)		11 210
	Internal Charges (Hall Hire)		75 000
	Sub-Total		2 124 150
4.Stakeholder Participation (32313)	Community Based Planning-CBP		725 250
	Stakeholder Forums (City Wide)		350 000
	Empowerment Programmes for Community Based Structures (CBS)		766 160
	Regional Stakeholder Forums		287 000
	Internal Charges (Transport)		24 150
	Internal Charges (Hall Hire)		100 000
	Sub-Total		2 252 560
5.Traditional Leadership (32314)	Traditional Programmes (Maidens Conference-city wide and regional, Reed Dance, Umkhosi WeLembe, Imikhosi KaZulu, Ukubuthwa-rite of passage)		1 655 725
	Empowerment Programmes for Traditional Leaders		110 385
	Programmes for Traditional Councils (Capacity building workshops, empowerment initiatives)		662 295
	Traditional Leadership Forums (Development projects, Ndlunkulu sector programmes, Amakhosi sectoral programmes)		220 765
	Internal Charges (Transport)		28 540
	Internal Charges (Hall Hire)		75 000
	Workshops, Seminars, Training		192 850
	Sub-Total		2 945 560
	Total for Regional Services		21 078 430

Sectoral Programmes Section

Business Unit	Programmes	Budget (R)
1. Gender (32303)	Women's Sector (International Women's Day, National Women's Day, International Day for Rural Women, International Day for Widows, Regional Women's Month events)	600 000
	Men's Sector (International Men's Day, Men's month Celebrations-city wide and regional celebrations)	250 000
	LGBTIQ+ Community Sector (Pride Month Activities, Awareness against Hate Crimes)	150 000
	365 Days of Activism	750 000
	GBV and Femicide Programmes	250 000
	Gender Awareness Programmes	511 535
	Gender Empowerment Initiatives	511 535
	Internal Charges (Transport)	117 010
	Internal Charges (Hall Hire)	75 000
	Sub-Total	3 215 080
2. Poverty (32309)	Community Gardens	50 910
	Soup Kitchen Launches	166 520
	International Day of Poverty Alleviation	89 330
	Volunteer Recognition Day	83 000
	Food Aid Programme (Soup Kitchens)	118 246 440
	Repairs and Maintenance	150 360
	Internal Departmental Charges	270 020
	Municipal Running Cost-Depreciation of Assets	770 330
	Sub-Total	119 826 910
3. Youth (32315)	International and National Commemoration Days	100 000
	Youth Empowerment Initiatives	619 685
	Youth Awareness Campaigns	624 550
	Youth Engagement Forums (Strengthen and establish)	369 685
	Internal Charges (Transport)	29 260
	Internal Charges (Hall Hire)	75 000
	Sub-Total	1 818 180
4. Vulnerable Groups (32316)	Children's Sector	608 070
	- International and National Commemoration Children's Day	
	- Provincial and National Children's Parliament	
	- Children's Forum	
	- Campaigns for Children	
	- Ethekewini Children's Fun Day	
	- Sanitary Dignity Campaign	
	- Children Protection Programmes	
	- Empowerment Initiatives for children	

	Disability Sector	908 070
	- PWD Campaigns (9)	
	- Disability Parliament	
	- Mayoral Council for Disabled	
	- PWD Forums	
	- Healthy and Active Living Programmes (Sports)	
	- Empowerment Initiatives for Disabled	
	- Sign Language Services	
	Senior Citizen's Sector	608 070
	- International and National Senior Citizens Commemoration Day	
	- Senior Citizens Parliament	
	- Healthy and Active Living Programmes (Sports)	
	- Senior Citizen's Forum	
	- Empowerment Initiatives for Senior Citizens	
	Internal Charges (Transport)	275 700
	Internal Charges (Hall Hire)	100 000
	Workshops, Seminars, Training	192 850
	Sub-Total	2 692 760
	Total for Sectoral Programmes	127 552 930
	Total Budget for Programmes to be implemented in 2023-24	247 039 490

F.C. Number: 2024/06/03

ADOPTED.

4. REPORT OF THE ECONOMIC DEVELOPMENT COMMITTEE: MEETING HELD 2023-11-30.

(Page R112)

4.1 Request for Authority to Enter into Memorandum of Understanding with the KwaZulu-Natal Education Development Trust and Renewable Energy Institute for Southern Africa Regarding Training of 6000 Unemployed Youth as Solar PV Technicians in eThekweni Region (27/1/2/1/7).

(Page19: Economic Development Committee - Agenda 2023-11-30)

Authority is sought for the City Manager to enter into a Memorandum of Understanding with the KwaZulu- Natal Education Development Trust in partnership with Renewable Energy institute for Southern Africa.

This Partnership will create capacity building and energy skills development throughout the eThekweni region to adequately close skills deficit in the implementation of Municipal Independent Power Producer Procurement Programme (MIPPPP) and to outline implementation and role of various stakeholders in different stages of the project development phase and ensure an orderly Just Energy Transition Through empowering the Youth in eThekweni region with renewable energy skills needed for low carbon economy.

Background information was given that the National Development Plan (NDP) identifies the need for South Africa to invest in a strong network of economic infrastructure designed to support the country's medium and long term economic and social objectives. Energy infrastructure is a critical component that underpins economic activity and growth across the country, and household needs. The NDP envisages that by 2030, South Africa will have an energy sector that provides reliable and efficient energy service at competitive rates, is socially equitable through expanded access to energy at affordable tariffs, and environmentally suitable through reduced pollution.

In line with eThekweni Energy Transition Policy and MIPPPP, skills development will play a critical role as an anchor in ensuring proper implementation of eThekweni Independent Power Production (IPP) projects. This energy sector reform and many other government and private new energy developments will present a wide range of new employment and entrepreneurial opportunities for the youth of eThekweni.

The renewable Energy Institute for Southern Africa's response to the energy insecurity and high unemployment rate in KwaZulu-Natal is partnering with KwaZulu Natal Education Development Trust for the training of the youth to become Solar Photovoltaic Service Technicians to empower the youth with skills to partake in this growing industry of renewable energy.

The purpose is to create capacity building throughout the province to assist with the implementation of the government Integrated Energy Resource Plan through training of the youth in becoming Photovoltaic Service Technicians, to assist the KwaZulu-Natal Province to deal with the renewable skills that are critical for rolling out of renewable energy program in the province.

It was noted that implementation of the Occupational Certificate: Solar Photovoltaic Service Technician is essential in responding to Green Economy Interventions training needs for the Provincial Economic Recovery Plan in addressing the electrical/energy crisis. The training on green economy intervention skills set will create communities' optimal understanding on utilizing renewable energy technologies that are cost effective. Therefore, the training intervention of this nature, intends to assist the eThekweni Municipality to pursue a diversified energy mix, which will reduce reliance on a single energy of source, such as dependence on coal generated electricity in South Africa.

COMMITTEE RECOMMENDS:

- 4.1.1 That authority be granted for the City Manager, on behalf of the Municipality enter into and sign a Memorandum of Understanding with the KwaZulu-Natal Education Development Trust in partnership with Renewable Energy Institute of Southern Africa through funding assistance of the Unemployment Insurance Fund (UIF) to train six thousand unemployed youth in eThekweni Region to become Solar PV Technicians.
- 4.1.2 That Council notes Capacity Building Skills Development Programme in the eThekweni region is aimed at adequately closing skills deficit in the implementation of the Municipal Independent Power Producer Procurement Programme and overall, the Energy Transition Policy.

4.1.3

That Council notes the role of various stakeholders including the Municipal departments in different stages of the project development phase to ensure value proposition will be aligned to a just energy transition.

Commenting on the matter, the APF welcomed the report, further citing that there were skills gaps created during the apartheid regime, therefore, training of six thousand (6000) unemployed youth will enable previously disadvantaged youth to become Solar Photovoltaic Service Technicians and to empower them with skills to partake in the growing industry of renewable energy.

Also, in support of the matter, the ANC reiterated the importance of empowering youth to become Solar Photovoltaic Service Technicians. It was reported that as per the Quarterly Labour Force Survey, youth between the age of 18 to 34 years remain vulnerable in the labour market. Therefore, this initiative will assist to develop capacity building programme for youth residing within eThekweni Municipality.

Continuing with their remarks, the ANC mentioned that during implementation of this programme, youth will be trained and be equipped with appropriate qualifications for various renewable solar energy. Further, that the implementation of this programme is essential to address intervention training needs for energy transition towards the lower carbon energy. The six thousand (6000) youth will be recruited within eThekweni Municipality, and ten (10) training centres have been identified to host the participants, with the first phase to commence in February 2024, for the youth between the ages of 18 to 35 years and that certificates of competence accredited by SETA will be issued, upon completion of the training.

Thereafter, as some members were not in support of the recommendations, the matter was put to the vote. With 171 Councillors present, 170 Councillors (ANC - 90, DA – 46, EFF – 16, IFP- 0, Action SA - 02, ABC – 02; ACC- 02, ACDP – 02; ADEC – 01, DLC – 00; APF – 01; AIC- 02; ATM - 01; ALJAMAH – 00; JEP - 00; KZNI – 01, MF – 01, MOSA- 00, NFP - 01; PFP – 00, PRM – 01, TA- 00 and UIM – 01.) voted in favour of the recommendations and 01 - VF-Plus Councillor voted against the matter. There were no abstentions recorded.

Accordingly, the above recommendations were by a majority vote, **ADOPTED.**

4.2

Request for Permission to Enter into Service Level Agreement Between eThekweni Municipality and Cato Ridge Development Company (Pty) Ltd for Proposed Industrial, Warehousing and Logistics Development, Designated as Insimbi Ridge Development (20/1/6/1).

(Page 30: Economic Development Committee - Agenda 2023-11-30)

Authority is sought to enter into a Service Level Agreement between the eThekweni Municipality and the Cato Ridge Development Company (Pty) Ltd, for the establishment of a proposed catalytic industrial, warehousing and logistics development to be known as Insimbi Ridge Development, in Cato Ridge, the Outer West Region of the Municipality.

Background information was given that the Cato Ridge Development Company (CRDC), registered owners of various portions of land in the Cato Ridge area of the Municipality, have proposed to establish a 350 hectare industrial, warehousing and logistics development in the area as a stimulus for economic and social growth and as such has been recognized as a catalytic project of the Municipality.

The CRDC, in recognizing the importance of reaching an understanding regarding the supply and provision of Municipal services and infrastructure to support the development, then proposes to include such infrastructural provisions in writing in a suitable Service Legal Agreement with the Municipality as the project has a medium/long term delivery and implementation plan.

Having noted that the Services Level Agreement is appropriate and meets the development principles as set out in the current planning legislation, promotes efficient and suitable economic development and use of infrastructure,

COMMITTEE RECOMMENDS:

- 4.2.1 That authority be granted for the City Manager, on behalf of the Municipality to enter into a Service Level Agreement between the eThekweni Municipality and the Cato Ridge Development Company (CRDC), for the establishment of a proposed catalytic industrial, warehousing and logistics development to be known as Insimbi Ridge Development, in Cato Ridge, the Outer West Region of the Municipality.
- 4.2.3 That subject to the adoption of .1 above, authority be granted for the City Manager to sign the Service Level Agreement on behalf of the Municipality.

ADOPTED.

- 4.3 Reallocation of Crown Gospel Awards and Termination of Partnership Contract (13/2/1/2/1 & 20/1/4/3).
(Page 34: Economic Development Committee - Agenda 2023-11-30)

The eThekweni Municipality through Durban Tourism had a three-year destination promotion leveraging partnership with the Crown Gospel Awards. Subsequently, the Crown Gospel Awards notified Durban Tourism through an email that they have received an offer from the Gauteng Provincial Government which we could not match due to our limited resources. It was noted that the notification was five (5) days before the media announcement of the new location. Due to this relocation by the Crown Gospel Awards, the City will no longer be able to continue achieving its initial strategic objectives of destination promotion and leveraging from the event.

Background information was given that the City of eThekweni for the past years managed to yield great leveraging from the partnership with the Crown Gospel Awards, through destination branding, logo placements on the marketing collateral, advertising; social media; and destination promotion activations. The partnership between the City and the Crown Gospel Awards was on the second financial year of the current partnership contract.

With the current situation of the Crown Gospel Awards moving to the Gauteng Province, the eThekweni Municipality will not be able to leverage from the event and its patrons.

This relocation will not be able to assist the City to leverage and promote the Durban Brand and Destination promotion for local economic development which is in line with meeting the IDP Plan 2 objective of growing the economy and creating jobs.

COMMITTEE RECOMMENDS:

- 4.3.1 That Council notes the relocation of the Crown Gospel Awards from being hosted within the Province of the KwaZulu-Natal to now be hosted in the Gauteng Province as per the email correspondence received from the event organizer.
- 4.3.3 That Council notes that termination of contract will be handled as per the legal opinion received or obtained from the Legal and Compliance Unit and include the following points:
- i) A requirement to invoke the breach Clause in terms of Clause 13 of the agreement to the extent that the terms and conditions of the agreement have been breached. Clause 13 sets out the process within which this Clause may be invoked, commencing with the submission of a notice of breach by the aggrieved party to the other party.
 - ii) Noting that Clause 12.3 relating to the Municipality reserving the rights not to consider future funding, would not be invoked as the event organizer has been able to remedy the breach by informing the department of the relocation through email correspondence.
 - iii) Clause 12.5 states that “The parties may jointly agree to terminate the Agreement earlier than the expiry date such consensual termination must be exercised at least 3 (three) months prior to the event date. The email communication was received on the 14 of August and on the next day, 15 August an announcement publicity made.
 - iv) A termination of the partnership agreement will be prepared and concluded after the approval is granted by the Committee. This will be executed in line with Section 67 of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- 4.3.4 Given the developments in .1 and .2 above, Council approves the termination of the destination promotion partnership contract between the eThekweni Municipality and the Crown Gospel Awards.

Financial Implication

- The total financial savings from this termination will be R1 500 000.00 (One Million and Five hundred Thousand Rands) Excl. VAT which was going to be paid in this financial year 2023 and R1 500 000.00 (One Million and Five Hundred Thousand) excl. VAT which was going to be paid in 2024. A total of R3 000 000.00 (Three Million Rand) excl. VAT.
- The savings will be channelled to other destination promotion programmes to maximize on destination promotion.

ADOPTED

- 4.4 Approval of Final eThekweni Municipality: Problem Buildings First Amendment By-Law 2023, For Promulgation Purposes (1/1/3/1/4).
(Page 39: Economic Development Committee - Agenda 2023-11-30)

Authority is sought to approve the final eThekweni Municipality: Problem Buildings First Amendment By-Law, 2023 as contained in Annexure A and Annexure B of the City Manager’s report dated 2023-11-07.

It was noted that there is a need to develop legislation to regulate and manage the operations of the Problem Buildings Division within the Municipality. The

Municipality currently has a Problem Buildings By-Law which was promulgated in 2015 but does not effectively meet the Municipality's objectives fully and completely. Therefore, a need exists to amend the By-Law in order to cater for certain omissions. The legal and Compliance Unit consulted extensively with the Problem Buildings Steering Committee to draft the amendments to the By-Law which address the needs and the administrative tools required by the Unit to perform their function properly.

It was recalled that a workshop for the Economic Development and Planning Committee was held on 2023-07-06 wherein the Committee discussed this By-Law, and no further amendments to the By-Law were recommended by Committee. Subsequently, the respective By-Law was approved for public participation by Council at its meeting on 2023-07-23. The public participation process ran from 2023-09-01 to 2023-09-30, comments that were received during the public participation process were addressed and the By-Law was amended where required.

The By-Law is now ready for final approval by Council and promulgation in the Provincial Gazette of KwaZulu-Natal.

Having noted the foregoing,

COMMITTEE RECOMMENDS:

- 4.4.1 That the eThekweni Municipality: Problem Buildings By-Law, 2023 be approved for final publication and promulgation in the Provincial Gazette, with the By-Law taking effect on the date of publication therein; and
- 4.4.2 That the promulgation notice for the eThekweni Municipality: Problem Buildings First Amendment By-Law, 2023 be published in the Ezasegagasini Metro.

ADOPTED

- 4.5 Request to Authorize Funding for Nine (9) Community Tourism Organizations for Three (3) Years, 2023-2026) (20/1/4/3).
(Page 62: Economic Development Committee - Agenda 2023-11-30)

Authority is sought to fund nine (9) existing Community Tourism Organizations (CTOs) within the City of eThekweni for a period of three (03) years, commencing 2023 till 2026. Upon approval by Council a Memorandum of Agreement will be entered into and signed with the CTOs, with the latter also expected to submit Business Plans; Accountability Report; and Audited Financial Report as a criteria for the disbursement of funds in compliance with Section 67 of the Local Government: Municipal Finance Management Act No. 56 of 2003, for tourism promotional activities under the CTO Programme.

The CTOs are defined as locally-based organisations that incorporate public, private and community elements as integral parts and structured to both develop and promote tourism at an area level. Furthermore, CTOs provide opportunity for local communities to venture into the tourism industry, have a meaningful ownership of tourism initiatives; and participate in decision-making. The eThekweni Municipality recognizes CTOs as an important vehicle for marketing and promoting tourism, as well as broadening tourism in the City. There are currently nine (9) CTOs in existence within eThekweni Metro, namely,

- (i) Umhlanga CTO;
- (ii) Inanda CTO;
- (vi) Soruba CTO;
- (vii) Durban Central CTO;

- | | |
|---------------------------------------|--------------------------------|
| (iii) Clermont KwaDabeka CTO; | (viii) Sapphire Coast CTO; and |
| (iv) 1000 Hills CTO; Durban West CTO; | (ix) Durban West CTO |
| (v) Umlazi CTO; | |

The CTOs also play an important role in the development and promotion of tourism at a regional level. They are relevant bodies to collectively advance the objectives of the City's Tourism and can be best yielded with additional financial resources. Over the past seven years, CTOs have proved to have been the most crucial stakeholder for the eThekweni Municipality's Durban Tourism and the City at large, in that they, among other things serve as:

- The first point of contact and intermediary between the City and the Tourism establishments (Private Sector) in the greater eThekweni Metro;
- Representatives of the City's Tourism mandate even in the absence of Durban Tourism;
- Facilitator for legal and quality compliance of all tourism establishments in the respective area;
- Active participants in the establishment of new and promotion of existing tourism routes in under-developed areas (Township and Rural Tourism); and
- Promoters of active participation in the tourism activities by community members.

Having noted the foregoing,

COMMITTEE RECOMMENDS:

- 4.5.1 That authority be granted for the eThekweni Municipality to continue supporting the Community Tourism Organisations Programme for a three (03) year period, 2023-2026, and secure funding in the total amount of R3 150 000.00 (Three Million One Hundred and Fifty Thousand Rand) for this purpose across the 3 financial years, and with each Community Tourism Organisation (CTO) to receive funding support of R350 000.00 (Three Hundred and Fifty Thousand Rand), after satisfying the requirements for the disbursement of funds, with certificate of compliance to be issued by the Chief Financial Officer in this regard confirming adherence to the terms and conditions of the Memorandum of Agreement (MOA) to be entered into, and compliance with the requirements of Section 67 of the Local Government: Municipal Finance Management Act No. 56 of 2003.
- 4.5.2 That subject to the adoption of .1 above, authority be granted for the City Manager to enter into and sign a 3-year MOA between eThekweni Municipality and the following CTOs for the promotion of tourism in the eThekweni region under the CTO Development Programme:
- | | |
|---------------------------------------|--------------------------------|
| (i) Umhlanga CTO; | (vi) Soruba CTO; |
| (ii) Inanda CTO; | (vii) Durban Central CTO; |
| (iii) Clermont KwaDabeka CTO; | (viii) Sapphire Coast CTO; and |
| (iv) 1000 Hills CTO; Durban West CTO; | (ix) Durban West CTO |
| (v) Umlazi CTO; | |
- 4.5.3 That Council notes the disbursement of funding to Umhlanga and Clermont CTOs is subject to the response and outcome of the regularization reports from the Provincial Treasury.
- 4.5.4 That Council notes funding will be released to CTOs upon receipt of Certificate of Compliance from the Deputy City Manager: Finance.

4.5.5 That authority be granted for the City Manager to facilitate disbursement of funds to CTOs through the MOA obligations and monitor and evaluate progress considering expenditure.

4.5.6 That the Head-Business Support; Tourism; and Markets submits reports on the CTO Programme as funded by the eThekweni Municipality to the Economic Development and Planning Committee.

Financial Implications

2023-26: Funding to be released on a non-automated basis, and subject to meeting the following criteria:

- Submission of Compliant Audited Financial Statements
- Receipt of Certificate of Compliance by the DCM: Finance
- Performance review in line with the MOA and Section 67 of the MFMA

No	Name of CTO	Total Allocation
1.	Inanda Ntuzuma KwaMashu Tourism	R 350 000.00
2.	Sodurba Tourism	R 350.000.00
3.	Durban Central Tourism	R 350 000.00
4.	1000 Hills Tourism	R 350 000.00
5.	Sapphire Coast Tourism	R 350 000.00
6.	Umlazi Township Tourism	R 350 000.00
7.	Umhlanga Tourism Organisation	R 350 000.00
8.	Durban West Tourism	R 350 000.00
9.	Clermont KwaDabeka Tourism	R 350 000.00
	Total	R 3 150 000.00

Funding is available in the below budget vote:

Account description	BU	Item. Sub	Fund	Costing	Project	Region
CTO Name	26724	26724.25445.370	12120	0000	85605	0010

FC No: 2024/13/06

ADOPTED

4.6 Partnership Between eThekweni Municipality and Durban Chamber of Commerce and Industry (20//1/7/3).

(Page 71: Economic Development Committee - Agenda 2023-11-30)

Authority is sought for the City Manager to, on behalf of eThekweni Municipality, enter into partnership with the Durban Chamber of Commerce and Industry (DCCI) in terms of Section 67 of the Local Government: Municipal Finance Management Act No. 56 of 2003, to assist in the marketing and promotion of the eThekweni region as an investment destination.

The eThekweni Municipality wants to create an environment to encourage the ease of doing business in the City. To achieve this the City needs to focus on infrastructure restoration such as bridges, roads, canals and buildings, water, sanitation and energy. It must also facilitate investment promotion for both international and indigenous businesses to strategically place eThekweni as an ideal investment destination.

In addition, it must also ensure that internal administration systems are not onerous for investors by streamlining the application processes. The Economic Development Unit wishes to partner with organized business formations to assist in the marketing and promotion of the eThekweni region as an investment destination and all of the necessary and sufficient conditions required to ensure its success. These would relate specifically to:

- Assisting the City to prioritise investment and growth in specific areas.
- Promoting the City as part of inbound and outbound missions aimed at attracting investments and increasing trade.
- Participating in surveys and administering questionnaires to businesses relating to cost and ease of doing business.
- Managing and implementing the Durban Business Confidence Index in partnership with the Municipality and Tertiary Education.
- Offering solutions to existing challenges related to red tape, and the cost and ease of business in the region.

The DCCI plays a significant role in the development of the regional economy and is therefore a vital partner of the eThekweni Municipality in promoting growth, investment and job-creation. It is one of the oldest business chambers in the Country and has a proud history of supporting, development and representing businesses within the local economy. Additionally, the DCCI's role as a business lobby, enables the eThekweni Municipality to consult and engage with businesses in line with the City's Integrated Development Plan, particularly, Plan 2, whose goal is to "develop prosperous, diverse economy and employment creation". The Chamber also plays important role in facilitating and managing strategic City-Business partnership projects. It also represents many businesses across the sectoral spectrum and is a key stakeholder in numerous areas of engagement with the Economic Development and planning Cluster.

The Durban Business Confidence Index was launched during 2023 by the City, in partnership with the DCCI and the Macroeconomics Research Unit at the University of KwaZulu-Natal. The purpose of the Index is to measure sentiments of business-owners based on their experience of operating a business in Durban and acts as a useful barometer to gauge the mood of business every quarter and obtain valuable feedback to inform policy-makers, improve the ease of doing business and attract new investments. The Municipality and its partners, especially the DCCI is committed to use the DBCI to improve the ease of doing business and help build confidence in eThekweni's economy.

The Chamber represents useful and strategic partner in the DBCI as it will be able to inform and be informed by feedback therein and communicate, advise and assist the Municipality to enhance the existing strategies and initiatives relating to investment promotion and other vital services offered to businesses by the City.

Having noted the foregoing,

COMMITTEE RECOMMENDS:

- 4.6.1 That Council approves the appointment of the Durban Chamber of Commerce and Industry (DCCI) to partner with the eThekweni Municipality to assist the City to grow local economy through positioning the City as an attractive investment destination, advise and participate in ease of doing business initiatives.
- 4.6.2 That, subject to the approval of .1 above, authority be granted for the City Manager to, on behalf of eThekweni Municipality enter into a Memorandum of Agreement with the DCCI for investment promotion purposes within the City of eThekweni and, in terms of Section 67 of the Local Government: Municipal Finance Management Act No. 56 of 2003, to provide financial assistance to support partnership initiatives to be agreed to between the parties.

- 4.6.3 That subject to .1 and .2 above, authority be granted for the Head: Economic Development to transfer funding in the amount of R3 152 500.00 (Three Million One Hundred and Fifty-Two Thousand Five Hundred Rand) in the 2023/2024, 2024/2025 and 2025/2026 financial years in terms of the MOA to be concluded.

Financial Implication

Subject to Council authority and an MOA in terms of Section 67 of the Municipal Finances Management Act the funds will be provided from the following EDU budget votes:

Note Number	Amount Excl. VAT	Financial Year
26101.25030.17.12120.0000.38876.0010	R1 000 000.00	2023/2024
26101.25030.17.12120.0000.38876.0010	R1 050 000.00	2024/2025
26101.25030.17.12120.0000.38876.0010	R1 102 500.00	2025/2026

FC No.: 2024/18/23

ADOPTED

- 4.7 Approval of Conditions for Display of Voter Registration/Election Posters (21/13/1/2/R).
(Page 250: Economic Development Committee - Agenda 2023-11-30)

Authority is sought to approve conditions applicable for the display of election/registration posters, in particular as they pertain to the following:

- (i) Payment of deposit for election/registration posters (R200.00) per party/candidate per ward).
- (ii) Number of posters permitted per Ward.
- (iii) Permission to advertise in certain maximum control areas (highways/freeways and beachfront) for the purpose of the elections only.
- (iv) Use of outdoor advertising modes (banners and wall murals) in areas which these modes of advertising are otherwise not permitted.
- (v) Proposed review will apply throughout the Municipality for the upcoming 2024 General elections only.

The Development Planning Environment and Management (DPE&M) Unit is responsible for the regulation of outdoor advertising in the Municipality amongst other responsibilities. For every election period, consideration is given to relaxing some of the requirements in the spirit of promoting democracy. With regards to the previous elections, Council resolved that Political Parties/Candidates should pay R200.00 (Two Hundred Rand) refundable deposit per Ward if they intend erecting election/registration posters and at the same time, were permitted to erect only eight hundred (800) posters per Party/Candidate per Ward.

After the elections, the deposit would be kept in trust for a three-month period to cover any costs incurred by the General Advertising Branch/Department should a party fail to remove its election posters within a required period.

Failure to remove posters after the election period has previously resulted in the Municipality removing posters and recovering any costs incurred from the Party concerned at the applicable rate.

This submission is requesting Council to waive the restrictive provisions in the Outdoor Advertising By-law (areas of control) for the display of election/registration posters for the period leading up to the 2024 General Elections only. It was noted that during the election period, some routes/areas classified as maximum control will be opened

for the elections-related advertising only, on the premise that messaging will be constant and not likely to contribute in causing accidents. There will also be opportunity to access areas of high traffic, particularly, along the beach during the festive period. These routes/areas referred to are as follows:

- (i) Ruth First Highway (M4 Northern)
- (ii) Inkosi Albert Luthuli Freeway (M4 Southern)
- (iii) Higginson Highway
- (iv) Beaches

Third party advertising is still precluded during this period. This submission should not be misconstrued to be agitating for trivialisation of the importance of the City's By-Laws and Policies on outdoor advertising, but must be viewed within its correct context as leveraging the country's noble objective of deepening democracy through free and fair elections.

Having noted the foregoing,

COMMITTEE RECOMMENDS:

- 4.7.1 That Council approves proposed waiving of restrictive provisions in the eThekweni Outdoor Advertising By-Law with reference to the following aspects:
 - 4.7.1.1 The number of posters be restricted to 800 per Party/Candidate per Ward.
 - 4.7.1.2 Only standard size of A1 posters is permitted.
 - 4.7.1.3 That election/registration poster is only permitted on Council electricity light poles.
 - 4.7.1.4 Ruth First Highway be open only for elections-related advertising purposes before the elections.
 - 4.7.1.5 Inkosi Albert Luthuli freeway be open only for elections-related advertising purposes before the elections.
 - 4.7.1.6 Higginson Highway be open only for elections-related advertising purposes before the elections.
 - 4.7.1.7 Beach areas be open for elections-related advertising only 3 weeks before the elections and limited to flying banners only.
 - 4.7.1.8 The use of wall murals for election purposes be permitted.
 - 4.7.1.9 All applications be submitted for processing by the General Advertising Branch of the Development Planning, Environment and Management Unit, to ensure compliance with other aspects of the By-Law.
 - 4.7.1.10 That this waiver be limited to the 2024 National General Elections only and will take effect from the date of the Municipal Council resolution, except where stated.
 - 4.7.1.11 All Political Parties/Candidates to remove their elections-related advertising within thirty (30) days from the elections date.

- 4.7.1.12 After the period stipulated in .11 above, failure to remove posters and all election material will result in the Municipality removing and recovering any costs incurred from the Party/Candidate concerned at the current applicable removal rate per poster, as contained in the schedule of tariffs.
- 4.7.1.13 That the following specific conditions be adopted:
- 4.7.1.13.1 Not more than 2 (two) posters (back-to-back) per Party/Candidate per pole.
- 4.7.1.13.2 No poster shall be erected at a height less than 2.5 meters from the underside of the poster to the ground and no poster shall be erected on traffic signs including robots, directional signs and warning signs.
- 4.7.1.13.3 No poster shall be erected at a height less than 2.5 meters from the underside of the poster to the ground and no poster shall be erected on traffic signs, including robots, directional signs and warning signs.
- 4.7.1.13.4 No posters shall be erected on the Western Freeway, N3, N2, the ICC and the beach front. (Upper and lower Marine Parade/Snell Parade).
- 4.7.1.13.5 No posters shall be displayed/pasted on bridges, walls, trees etc.
- 4.7.1.13.6 All registration posters shall be removed within 14 (fourteen) days after the date of elections.
- 4.7.1.13.7 All Parties/Candidates undertake to remove all their elections posters within thirty (30) days of the date of the government elections.
- 4.7.1.13.8 In the event of any breach by a Party/Candidate, the Municipality (via the Development Planning Unit) shall contact the Party/Candidate concerned and removal of posters shall be effected within two (02) days of such contact (telephone or written).
- 4.7.1.13.9 The current prescribed tariffs be used, applications to be accompanied by a deposit of R200.00 (Two Hundred Rand) for every Party/Candidate per Ward where posters will be placed.

As some members were not in support of the recommendations, the matter was put to the vote. With 171 Councillors present, 170 Councillors (ANC - 90, DA – 46, EFF – 16, IFP- 0, Action SA - 02, ABC – 02; ACC- 02, ACDP – 02; ADEC – 01, DLC – 00; APF – 01; AIC- 02; ATM - 01; ALJAMAH – 00; JEP - 00; KZNI – 01, MF – 01, MOSA- 00, NFP - 01; PFP – 00, PRM – 01, TA- 00 and UIM – 01.) voted in favour of the recommendations and 01 - VF-Plus Councillor voted against the matter. There were no abstentions recorded.

Accordingly, the above recommendations were by a majority vote, ADOPTED.

- 4.8 Display of Building Wraps on Declared Bad Buildings (21/12/2/R).

(Page 255: Economic Development Committee - Agenda 2023-11-30)

Authority is sought to display building Wraps on Declared Bad Buildings in all areas of control (maximum, minimum and partial) in the Durban Inner City, during the Festive Season and up to 2024-12-31, by which time the reviewed Advertising By-Law would have been approved.

The Durban Inner City is faced with a number of declared bad buildings. One of the root causes resulting in bad buildings is non-payment of levies that comprises daily management and upkeep of such buildings.

There is a programme to profile, declare, serve compliance notices and take further action against non-compliance, the Problem Buildings By-law and programme allows for:

- (i) Escalated action including application to the courts to evict inhabitants from buildings that are unhealthy and unsafe;
- (ii) Urgent structural remedy undertaken by the Council for the account of property owners;
- (iii) Application for judicial administration; and
- (iv) Any other reasonable and legal support and action to ensure safety of such buildings.

It was noted that one of the root causes resulting in bad buildings, is non-payment of levies (due to unemployment, low affordability and other factors) that comprises daily management and upkeep of such buildings. This, coupled with non-functioning Body Corporates, has resulted in an overall decline in income to undertake important and timely maintenance and remedial work on the buildings. It is not uncommon to have bad buildings also reflecting unpaid Municipal accounts, inclusive of rates and utilities.

Apart from taking action in terms of the Problem Buildings and in accordance with various Municipal legislative mandates, such as the National Building Regulations, the reality is that additional revenue and an improvement in the governance of such buildings, Body-Corporate management etc., remain important to help rescue bad buildings, while still serving its purpose to provide for affordable housing and business opportunities.

In this regard, allowing third party advertising on building wraps will go a long way to provide improved outlook within the Inner City and additional income contribution to enable;

- (i) Payment of Municipal debt; and
- (ii) Payment for refurbishment of the buildings.

Building Wrap Advertising Signs on Declared Bad Buildings are as follows:

- (i) Building wraps are advertising signs fixed flat against any outside wall of a building made of vinyl mesh or similar material, in such a way that it will cover more than seventy percent of the total wall area of the building and that it will therefore create perception that the building is wrapped on one advertisement.

- (ii) Building wraps will only be permitted on declared bad buildings in all areas of control (maximum, minimum and partial)
- (iii) The height of the advertising sign shall not exceed the extremities of the outside walls of the building, and shall not exceed above the top of the building. The advertisement is not allowed within the first 3m from the ground level of the building.
- (iv) The position and spacing requirements for the building wrap should not be on top of, or above the walls of a building, project more than 1m from the walls of the building or be painted or pasted directly on any wall.
- (v) It must adhere to all the requirements stated in the National Building Regulations and Building Standards Act, Act 103 of 1977, or as amended.
- (vi) The advertising signs shall not obstruct any window, door, passage, staircase of a building, roof top, any means of a egress to the fire escape, or any means of exit from a building or which will prevent the movements of persons from one part of a roof to another part thereof.
- (vii) Clause 6 will not apply to unoccupied buildings.
- (viii) A building wrap may be permitted for a period of one year for declared bad buildings and subject to conditions which may be imposed by the Municipality.

The application fee for building wraps on Declared Bad Buildings, as per the approved tariffs is as follows:

Type of Building	Fee In Terms of Approved Tariff of Charges.
Declared Bad Building.	50 % discounted of the prescribed billboard fee.

The advertising income will be utilised as follows:

Type of Building	% Contribution to Municipal Consolidated Bill	% Contribution for Refurbishment of the Building
Declared Bad Building.	60% of Income	40% of Income

COMMITTEE RECOMMENDS:

- 4.8.1.1 That Council approves the following aspects:
 - 4.8.1.1.1 Permitting display of building wraps on declared bad buildings in all areas of control (maximum, minimum and partial) in the Durban Inner City during the Festive Season and up to 31 December 2024.
 - 4.8.1.1.2 That on approval of .1 above, a Memorandum of Agreement be drawn up with all the Applicants to ensure that income generated from advertising be strictly used for payment of Municipal debts (60%) and to refurbish the building (40%).
 - 4.8.1.1.3 The approval by the Council be limited to applications for buildings which are declared bad buildings.

- 4.8.1.1.4 That advertising signs be removed by the Owner of the building when the approval lapses. Should they fail to do so, the Council will remove the sign and recover the costs of removal as per the tariff schedule.

ADOPTED.

DIRECT EXCO REPORTS

5. REQUEST FOR AUTHORITY TO ACCEPT DONATION IN KIND BY THE HILLCREST COMMUNITY POLICING FORUM FOR THE SUPPLY AND INSTALLATION OF INVERTER IN GILLITS FIRE STATION (27/1/2/R)

(Page 01)

The eThekweni Municipality Fire and Emergency Service Unit has received a donation in kind by the Hillcrest Crime Prevention Forum (CPF) Sector 1 to supply and install an inverter at the Gillits Fire Station. This initiative will enable the Station to maintain power and station communication during load shedding to ensure swift response to save lives, properties and render humanitarian services. Therefore, authority is sought to accept the donation amounting to R48 675.40 (Forty-Eight Thousand Six Hundred and Seventy-Five Forty Cents) excluding VAT at no cost to the Municipality.

Thereafter, the Committee welcomed the progressive initiative and cited the need for the City Manager to extend appreciation in writing to the Hillcrest Community Policing Forum on behalf of the Municipality.

Accordingly,

COMMITTEE RECOMMENDS:

- 5.1 That authority be granted for the Head: Fire and Emergency Services to accept the donation from the Hillcrest Community Policing Forum to the value of R48 675.40 (Forty-Eight Thousand Six Hundred and Seventy-Five Rand Forty Cents) excluding VAT.
- 5.2 That the Legal and Compliance Unit be requested to draft the Memorandum of Understanding that will stipulate the terms and conditions of offer and acceptance.

Financial Implications:

The Municipality will receive the donation amounting to R48 675.40 (Forty-Eight Thousand Six Hundred and Seventy-Five Rand and Forty Cents) excluding VAT.

ADOPTED.

6. APPROVAL OF INTEGRATED OPERATIONAL STRATEGY AND PROPOSED IMPLEMENTATION PLAN FOR LAND INVASION REDUCTION/ PREVENTION (21/7/R & 22/6/4/1)

(Page 03)

It was recalled that the Executive Committee at its meeting of 24 January 2023 received and discussed a report on Integrated Operational Strategy and Proposed Implementation Plan for Land Invasion Reduction and/or Prevention Strategy.

The Committee then resolved to defer consideration thereof pending a joint Workshop with the other relevant Council Support Committees to unpack the Strategy and Implementation Plan further.

Accordingly, the Workshop was held on 21 November 2023 where the Security Management Unit together with the Human Settlements Unit took Councillors present through a detailed presentation on this matter. Thereafter, the following input and comments were made thereon:

- (i) That the proposed Land Invasion Strategy is appreciated, it being anticipated that such will also incorporate measures to be implemented to minimize conflict between Council Members; Municipal Officials; and Communities on land invasion matters;
- (ii) That lack of provision of proper housing and basic services is considered contributing to experiencing land invasion incidents;
- (iii) That delays encountered in implementing projects earmarked lead to vacant land becoming susceptible to invasions, and also result in increased security costs due to safeguarding vacant land for a prolonged period;
- (iv) That where there are allegations of Councillors and Municipal Officials illegally selling Municipal land, an investigation be conducted accordingly to obtain concrete outcome thereon;
- (v) That endeavours be made to strengthen partnership between eThekweni Municipality Law Enforcement Units and the South African Police Services to achieve effective back up services when required to evict land invaders; and
- (vi) That ongoing migration of people from urban to rural areas is concerning as this creates a dent in the Municipal revenue, and resulting in the City remaining with more people occupying indigent status and potential reduction in revenue due to rebates to be implemented.

Accordingly with the workshop having been held as per the outcome narrated above, the matter is now resubmitted for consideration and approval by Council

COMMITTEE RECOMMENDS:

- 6.1 That Council approves and provides support to the following recommendations with regard to the development of an Integrated Strategy for Land Invasions and Proposed Implementation Plan for the reduction and prevention of unlawful occupation of land within the City:
- 6.1.1 Implementation of Phase 1 of the Operational Strategy: Boosting communication between key landowners and the community with the aim of creating a platform to share information on the City's planned Spatial Development Programs, land use, and tenure documents by establishing a working relationship with the Traditional Leadership (Amakhosi) and representatives of the communities to assist with curbing the growth of the informal settlements.

- 6.1.2 Implementation of Phase 2 of the Operational Strategy: Increasing community participation in land invasion issues through the establishment of Ward Committees and the formation of Community-Based Forums to assist in the early identification and reporting of all invasion threats within vulnerable communities.
- 6.1.3 Implementation of Phase 3 of the Operational Strategy: Engagement with affected stakeholders within the developmental areas Abahlali baseMjondolo and Illegal Occupiers of land without necessary ownership certification (Invaders).
- 6.1.4 Implementation of Phase 4 of the Operational Strategy: Submission of the Resource Plan and Costs required to effectively implement the Operational Strategy. Once this exercise is completed, the report will be submitted to the Committee.
- 6.2 That Council support the recommended approach to fastrack the implementation of the Operational Land Invasion Strategy of the City.

Speaking on the matter, the APF dissented on the matter, citing a strong view that a proposal recommended by the Parliament previously, that of the expropriation of land without compensation should be implemented. Also, emphasizing that this was part of recovering the land previously taken away from the previously disadvantaged communities.

Thereafter, as some members were not in support of the recommendations, the matter was put to the vote. With 163 Councillors present, 142 Councillors (ANC - 90, DA – 42, IFP- 0, Action SA - 02, ABC – 02; ACC- 01, ACDP – 00; ADEC – 00, DLC – 00; AIC- 02; ALJAMAH – 01; JEP - 00; MF – 01, MOSA- 00, NFP - 01; PFP – 00, PRM – 00 and TA- 00) voted in favour of the recommendations and 19 Councillors (EFF – 16, APF – 01; ATM – 01 and KZNI – 01) voted against the matter. 2 Councillors (UIM – 01 and VF-Plus – 01) abstained on the matter.

Accordingly, the above recommendations were by a majority vote, ADOPTED.

7. ADOPTION OF SECOND-GENERATION: STRATEGIC ASSET MANAGEMENT PLAN AND GENERATION INTEGRATED ASSET MANGEMENT PLAN (8/1/7/1)

(Page 18)

As part of background information, the current replacement cost of all infrastructure assets within the Municipality is estimated at approximately R360 billion. The existing asset base is aged, and significant failure occur frequently. Without implementing strategic, structured, and coordinated approach to Infrastructure Asset Management across the entire Municipality, the eThekweni Municipality's service delivery mandate is negatively impacted. Infrastructure Assets constitutes target item on the Municipality's balance sheet. Any organisational reform in terms of resources, processes and systems undertaken to improve the Asset Management life cycle process will have a direct improvement to all other supporting consequential activities of the entire Municipality.

The National Treasury's Cities Infrastructure Delivery and Management Systems (CIDMS) toolkit, the ISO 55000 standards and best practice frameworks such as the

Global Framework for Maintenance and Asset Management, (a framework to which South Africa is partner to) direct the creation of core Infrastructure Asset Management Foundation Documents, (Asset Management Policy, Strategic Asset Management Plan (SAMP), Asset Management Plan (AMP), Budget Paper and unit Asset Management Plan).

Through the systematic assessment of the Units and facilitated workshop process, eThekweni Municipality's participants have identified critical need to align and prioritise sequential development of the Integrated Asset Management Plan, Budget Paper, the SAMP and the AMP as core documents to validate, analyse, co-ordinate and communicate the eThekweni Municipality's infrastructure service delivery mandate.

It was noted that at the time of compiling this report, the National Treasury has not undertaken formal training regarding the CIDMS and its prescribed Asset Management Foundation Documents to the City's Executive Leadership and Councils. That in the absence of formal training all Municipalities in South Africa have had to plot their own way in terms of these key documents. Noting that the creation of these documents is a specialist subject, the eThekweni Municipality, with the support of the National Treasury Cities Support Programme, decides to introduce roll-out of these documents in a sequential manner.

The purpose of the roll-out was to create an on-boarding of these documents by all Units starting with the basics and developing towards the final solution.

This process is reflected in the Table below:

Item	Description	Deliverable	Implementation Date	Actioned By
1.	Generation 1 – SAMP	Introduce SAMP and associated “vocabulary to ALL Units. Outline purpose of document and get stakeholder understanding. The supporting data, systems and processes are of poor quality. Presented in Feb 2022 Mayoral Lekgotla.	Completed by February 2022 and June 2022.	CSO, CFO and COO (SCM) and PME.
2.	Generation 1 – IAMP	Introduce IAMP and associated “vocabulary to ALL Units. Outline purpose of document and get stakeholder understanding. The supporting data, systems and processes are of poor quality. Presented in Feb 2022 Mayoral Lekgotla.	Completed by February 2022 and June 2022.	CSO, CFO and COO (SCM) and PME.
3.	Generation 1 – AMP	Prepared a standardised Units AMP format for 23 Units of the City (Gen1 AMP). This was to assist Units in preparing Unit specific unconstrained project list over ten-year	Completed and processed on 04 February 2023.	All Units and CSO.

		planning horizon. Set completion date for first week December 2022. The supporting data, processes are of poor quality.		
4.	Generation 2 – SAMP	Develop SAMP Objectives and outline whole or organisational improvement programme. Improvement programme to address, supporting data, systems, and processes. Adopt 10-year planning horizon. Adopt committee level managerial oversight and obtain Council approval for implementing whole of City organisational improvement programme. Note Strategy is still driven from Units upwards. No direct project link to IDP.	Gen 2 SAMP completed 28 February 2023. Complete approvals by end of June 2023.	CSO, CFO and COO (SCM) and PME.
5.	Generation 2 – IAMP	Develop first City wide pipeline of projects prioritise over 10-year planning horizon. Adopt committee level managerial oversight and obtain Council approval. Note Strategy still driven from Units upwards. No direct link to IDP.	Gen 1 IAMP completed 28 February 2023. Complete approvals by end of June 2023.	CSO, CFO and COO (SCM), PME and Units
6.	Generation 3 – SAMP and IAMP	Develop Foundation Documents but ensure that strategy is driven Top-Down by Corporate Units to define trade-offs and Investment tactics in SAMP, this will be first iteration for aligning Projects to the IDP	Gen 3SAMP and Gen 3 IAMP to be completed by end of June 2024.	CSO, CFO and COO (SCM), PME and Units
7.	SAMP rev0, IAMP rev0 and AMP rev0	Fully develop data storage and mining strategy developed by Corporate Units through Strategic Screen (Impact Indicators defined and weighted by PME), Units Develop project needs that are directly linked to IDP.	Revision series completed by end of June 2026.	CSO, CFO and COO (SCM), PME and Units

In noting proactive approach by the Municipality in this regard,

COMMITTEE RECOMMENDS:

7.1

That the 2nd Generation Strategic Asset Management Plan (2nd Gen. SAMP 22/23F) and the Second-Generation Integrated Asset Management Plan (2nd Gen. IAMP 22/23

FY) as key institutional strategic planning and cyclic decision-making tools, required by the National Treasury's Cities Infrastructure Delivery Management System; and prescribed by ISO 55000, to guide Strategic Budget Reform Agenda for the entire eThekweni Municipality (i.e Strategy Led Budget process); be adopted.

- 7.2 That Council recommends tentative dates when a workshop on Infrastructure (Asset) Management could be hosted with an aim to capacitate elected leadership on this matter for improved oversight.

ADOPTED.

8. REQUEST FOR AUTHORITY FOR FINANCIAL CONTRIBUTION TOWARDS THE MUNICIPAL BULK INFRASTRUCTURE TO SUPPORT THE GIBA BUSINESS ESTATE DEVELOPMENT IN LINE WITH THE APPROVED DEVELOPMENT CHARGES POLICY (20/1/6/4)

(Page 62)

The Committee was apprised on progress made to commence with the GIBA Business Estate Development which forms part of the catalytic projects within the City. It was reported that the GIBA Business Estate Development is seeking assistance from Council for financial contribution towards provision of bulk infrastructure required for the development due to these infrastructures upgrade benefitting other users. Therefore, authority is sought from Council for the financial contribution towards the Municipal bulk infrastructure required to support the GIBA Business Estate Development, in line with the recently approved eThekweni Municipality Developer Charges Policy.

The GIBA Business Estate Development is located west bound carriageway of the Marianhill Toll Plaza along the N3 freight and logistics corridor from Durban-Free State-Gauteng known as SIP2. The project is aligned with the National Development Plan (NDP) which encourages developments along the N3 corridor that promotes freight and logistics to take advantage of the harbour and the existing road network. Adjacent to the GIBA Development, North-East of the site, is the Westmead Industrial Park and the Mahogany Ridge Industrial Park. South of the site is the Itshelimnyama Informal Settlements and west is the GIBA Business Park.

The project is set to develop about 200 000 square metres of light industrial properties, mainly warehouses which will be used largely for logistics purposes. The capital investment for the development is approximately R1.9 billion. The project will be implemented in a two-phase approach. Phase 1: Construction of about 22 Platforms and Engineering Services. Phase 2: Top Structures. The primary benefiting Ward is Ward 15 and neighbouring Ward 7 and 103.

The GIBA Business Estate project has numerous challenges which include the following:

- (i) The world economy has experienced depression due to the Covid-19 pandemic.
- (ii) The province of KwaZulu-Natal and the country suffered political unrest in 2021 which resulted in riots that looted and destroyed private property.
- (iii) This development is in close proximity to Dassenhoek/Tshelimnyama Extension which comprises informal settlements. This is another threat to the development as people want to invade the land in question and the developer has now hired security to guard the land day and night.

- (iv) The province of KwaZulu-Natal has been affected by interference of Business Forums invading construction sites, demanding subcontracting work and this poses risk to potential investors.
- (v) The April and May floods of 2022 which left destruction in the province of KwaZulu-Natal has also created serious socio-economic challenges.

Despite the above challenges, the GIBA Business Estate Developers have nevertheless continued embarking on this catalytic project at a considerable financial risk, which has realized site establishment in July 2023 which was then cemented by the SOD Turning Ceremony in August 2023.

It is against this backdrop that the Developer is requesting the Municipality to assist by contributing towards funding the required infrastructure in the form of roads; water; electricity; and wastewater for this catalytic project.

Accordingly,

COMMITTEE RECOMMENDS:

- 8.1 That Council notes a letter has been received from the GIBA Business Estate Developers requesting eThekweni Municipality to support the development by contribution towards the provision of Municipal infrastructure required in this project in the form of roads; water; electricity; and wastewater, and this having been costed to amount R73 194 798.00 (Seventy-Three Million One Hundred and Ninety-Four Thousand Seven Hundred and Ninety-Eight Rand).
- 8.2 That, subject to .1 above, Council notes contribution towards the provision of Municipal infrastructure could not be handled in accordance with Clause 12 of the Development Charges Policy, which makes provision for the calculation of development charges given that data required to complete the calculations as per the formula provided by the Policy is yet to be completed.
- 8.3 In view of .2 above, that Council approves invoking Clause 14.1 (d) of the said Policy, which makes provision that “The Municipality may grant exemption or subsidize categories of landowners or land developments where development charges may be reduced or waived on application” by providing incentive towards the implementation of catalytic projects that are key in supporting socio-economic recovery and growth of the Municipality in line with the Spatial Development Framework.
- 8.4 That Council notes proposed cost contribution towards the Municipal infrastructure required to support the cost sharing as outlined in the Table below, and it being recorded that the approach is consistent with how similar developments have been supported by the Municipal Council, also taking into account the socio-economic imperatives of the development and new roads infrastructure which will directly benefit the informal settlements of Tshelimnyama.
- 8.5 Subject to .2 and .3 above, Council approves cost-sharing contribution of 51% from the Municipality which amounts to R63 348 541.81, (Sixty-Three Million Three Hundred and Forty-Eight Thousand Five Hundred and Forty-One Rand Eighty-One Cents), excluding VAT, and inclusive of contingencies, escalations, and professional fees towards the infrastructure upgrade required to facilitate this catalytic project.

8.6

Subject to the approval of recommendation .5 above, authority be granted for the City Manager to conclude a Memorandum of Agreement with the Developer (Sultex Holdings Pty Ltd) that reflects the cost contributions with a split of 51% and 49%, respectively.

Financial Implications:

Table showing proposed cost contribution for Giba Business Estate Development:

GIBA BUSINESS ESTATE-PROPOSED ETHEKWENI MUNICIPALITY COST CONTRIBUTION				
ENGINEERING SERVICES	PROJECT INFRASTRUCTURE COST	PROPOSED CONTRIBUTION %	PROPOSED ETHEKWENI CONTRIBUTION	PROPOSED DEVELOPER CONTRIBUTION
INTERNAL INFRASTRUCTURE REQUIRED				
Water (reticulation)	R4,658,266.00	0%	R0.00	R4,658,266.00
Waste Water (on-site package plant)	R19,103,000.00	0%	R0.00	R19,103,000.00
EXTERNAL INFRASTRUCTURE REQUIRED				
Roads (1,1km & 3 intersection ,all external)	R11,620,552.00	100%	R11,620,552.00	R0.00
Roads (2,4km internal portion)	R44,682,718.00	70%	R31,277,902.60	R13,404,815.40
Water (1,8km external portion)	R4,932,281.83	100%	R4,932,281.83	R0.00
Electricity : Supply to site	R14,940,000.00	0%	R0.00	R14,940,000.00
Electricity :Street lighting	R1,660,000.00	100%	R1,660,000.00	R0.00
SUB TOTAL	R101,596,817.83		R49,490,736.43	R52,106,081.40
Professional fees, Escalations,Contingencies,	R22,351,299.00	62%	R13,857,805.38	R8,493,493.62
Total Infrastructure Cost	R123,948,116.83		R63,348,541.81	R60,599,575.02
			51.11%	48.89%

The table above illustrates the infrastructure upgrades that required to facilitate the development of this catalytic project to grow the economy of the city and create much-needed jobs. The total cost for infrastructure required is **R123 948 117.75**. After in-depth review this Unit is proposing that the City contributes **51%** which amounts to **R63 348 541.81**, and the Developer contributes **49%** which amounts to **R60 599 575.02** towards the required infrastructure. All amounts are exclusive of VAT.

COST BENEFITS ANALYSIS

Giba Business Estate Development : Cashflow projection 2024 to 2028 financial years						
	24/25	25/26	26/27	27/28		
Capital Funding Required	R30,000,000.00	R33,348,541.81	R0.00	R0.00		
R63,348,541.81						
Income	Greenfield income	2025 @ 40% complete	2026 @80 % complete	2027 @100 % complete	Year 4 : 2028	Year 5 :2029
Rates	R2,394,000.00	R13,344,739.00	R28,023,952.00	R36,781,436.00	R38,620,508.00	R40,551,533.70
Electricity	R0.00	R5,506,875.76	R11,564,439.09	R15,178,326.30	R15,937,242.62	R16,734,104.00
Water	R0.00	R909,016.23	R1,908,934.08	R2,505,475.97	R2,630,749.77	R2,762,287.26
Sub Total (Excl bulk ca	R2,394,000.00	R19,760,630.98	R41,497,325.16	R54,465,238.28	R57,188,500.39	R60,047,924.96
Yearly Cash flow	-R27,606,000.00	-R13,587,910.83	R41,497,325.16	R54,465,238.28	R57,188,500.39	R60,047,924.96
Accum Cash flow	-R27,606,000.00	-R41,193,910.83	R303,414.34	R54,768,652.61	R112,060,053.00	R172,107,977.96

ADOPTED.

9.

DRAFT 2024 CALENDAR OF COUNCIL AND COMMITTEE MEETINGS (3/4/1)

(Page 99)

The Calendar of Meetings serves as the Council and Committees' Annual Oversight Programme. In drafting the Calendar, analysis of Committee membership has been

undertaken to avoid clashes. However, in certain instances clashes are unavoidable, but this would be managed accordingly by the respective Chairpersons of Committees.

The Calendar of Meetings also take into account flow of items from the Committee structures till reaching final decision-making at the Municipal Council level. Incorporated in the Calendar are also proposed dates of the Ward and the Community meetings, but it should be noted these are just tentative dates to indicate a requirement to convene Ward Committee meetings on a monthly basis and Community meetings on a quarterly basis. Ward Councillors would then take responsibility to confirm specific dates with the respective Ward Committees and Community members.

It is understood that from time-to-time certain circumstances will warrant postponement and/or cancellation of meetings. This would be attended to by the respective Chairpersons and decision taken based on justifiable reasons. On the other hand, timeous submission of Committee Reports by Senior Management is encouraged for this aspect not to contribute in getting Committees not to convene meetings on scheduled dates due to unavailability of Reports.

The draft Calendar of Meetings circulated to all Councillors was submitted and approved by the Executive Committee, therefore,

COMMITTEE RECOMMENDS:

- 9.1 That Council approves the 2024 eThekweni Municipal Calendar of Meetings, to aid forward planning for the Council and its Committees thereby achieving smooth flow in the Council decision-making process.
- 9.2 That subject to the approval of .1 above, the Chairpersons of Committees adhere to the dates contained in the Calendar of Meetings when convening meetings, it being recorded though that the Chairpersons reserve the right to cancel and/or postpone meetings, based on justifiable reasons.
- 9.3 That the Deputy City Managers and the Heads manage the process of timeous submission of Committee Reports to the Office of the City Manager for final signature, before submission to the Secretariat Department for inclusion on the Agenda, which process will enable meetings to convene as scheduled.

DEFERRED, to a future meeting of the Municipal Council once the date of the 2024 General Elections have been pronounced to then determine whether there would be changes required to accommodate pre-election activities of the different Political Parties.

10. APPROVAL OF 2023-24 ETHEKWINI MUNICIPALITY TOP STRATEGIC RISKS (2/10/1/1/8)

(Page 114)

Authority is sought for Council to approve the 2023-24 top strategic risks of the eThekweni Municipality, in line with Section 62 (1) (c) (i) of the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003. In terms of the said Act, the Accounting Officer has a responsibility to ensure that the Municipality has and maintains effective, efficient, and transparent systems of Financial & Risk Management and Internal Controls. Section 78 of the MFMA further allows the Accounting Officer to extend general responsibilities to Senior Managers and other

Officials within the Municipality, the similar responsibilities for risk management in order to ensure same within their areas of responsibilities.

The requirements of the Enterprise Risk Management Framework dictates that the strategic risks profile be developed on an annual basis to identify risks that have potential to threaten achievement of the Municipality's objectives. The strategic risks are those risks that may hinder/prevent the Municipality from achieving its objectives as defined in the Annual Business Plan and the Integrated Development Plan. Other strategic risks are those which if they materialize, the impact of exposure may cut across all and/or majority of the Municipal operations and affect delivery of basic services. While others require a strategic intervention and/or decision as a response or treatment plan to manage the risk exposure.

In this regard, the aim is to focus on the top strategic risks that are likely to hinder the Municipality from achieving targeted strategic objectives during the 2023-24 financial year. The risk management process is forward looking, not historic and requires that reviewal of risk profile is conducted quarterly in order to take into account operational changes that may alter objectives.

The profile is also subject to review and amendment through identification of emerging and materialized risks and opportunities on an ongoing basis, which are reported at various risk governance structures. The strategic risks profile serves to communicate and engage leadership together with all employees to understand Municipal areas that require proactive management.

The 2023-2024 eThekweni Municipality' top strategic risks are as follows:

- (i) Good Governance and Organisational Culture;
- (ii) Procurement Excellence and Financial Sustainability;
- (iii) Infrastructure Development and Service Delivery;
- (iv) Economic Growth and Investment;
- (v) Safety and Security;
- (vi) Cyber and IT Infrastructure;
- (vii) Environment, Health and Social Inclusion;
- (viii) Business Continuity and Resilience;
- (ix) Fraud, Theft and Corruption;
- (x) Climate Change and Disaster Response; and
- (xi) Political Environment Risks.

With the DA Members abstaining at the Executive Committee level,

COMMITTEE RECOMMENDS:

That Council approves the 2023-2024 eThekweni Municipality top 10 strategic risks, identified in compliance with Section 62 (1) (c) (i) of the Local Government: Municipal Finance Management Act No. 56 of 2003, it being recorded that Management will monitor that the risks do not materialize and with Council to play effective oversight in this regard:

- (i) Good Governance and Organisational Culture;
- (ii) Procurement Excellence and Financial Sustainability;
- (iii) Infrastructure Development and Service Delivery;
- (iv) Economic Growth and Investment;
- (v) Safety and Security;
- (vi) Cyber and IT Infrastructure;
- (vii) Environment, Health and Social Inclusion;
- (viii) Business Continuity and Resilience;
- (ix) Fraud, Theft and Corruption;

- (x) Climate Change and Disaster Response; and
- (xi) Political Environment Risks.

ADOPTED.

11. REPORT ON PROCESS UNDERTAKEN TO ATTRACT INVESTMENT INTO ETHEKWINI MUNICIPALITY FOR THE MANUFACTURING AND DELIVERY OF 300 MIDI-BUSES FOR PUBLIC TRANSPORT SERVICE DELIVERY (26/3/1/1)

(Page 141)

The eThekweni Municipality has undergone a process as part of the Public Transport Improvement Program, to leverage off of its buying powers to attract investment into the City for the establishment of a manufacturing facility for midi buses that will be utilised for the delivery of public transport services. In this regard, project authority is sought to procure three hundred (300) midi-buses to improve public transport as part of the Bus Replacement Programme for the Durban Transport, Mynah Bus Services as well as overall Public Transport Improvement Program through Integrated Public Transport Network (IPTN).

This process is aimed at boosting under-performing local manufacturing sector, creating job opportunities, enterprise development and boosting local economy. It was reported that procurement process was initiated to identify suitable bidder through a fair and transparent tender process. Following approval by the Bid Adjudication Committee, the Line Department entered into negotiations with the preferred bidder and various scenarios were explored to determine option that will reduce bus unit cost. Eventually, the most cost-effective scenario was established and this to require the Municipality to invest an amount of R1 600 000 000.00 (One Billion Six Hundred Million Rand) for the acquisition of midi-buses in a four (04) year period. The outcomes of the procurement process are recorded as follows:

- Preferred bidder is a South African Original Equipment Manufacturer (OEM) and represents 100% black-owned company;
- The bidder is in partnership with well-established bus manufacturer that supply buses at a global scale;
- They are the largest producer of midi-buses in the world and has extensive experience in setting up joint operations in different countries to establish new bus manufacturing plants; and
- The bidder has also partnered with other local companies responsible for manufacturing significant vehicle parts.

The table below indicates commitments made by the Investor to derive socio-economic benefits from the investments and production of vehicles. These will be closely monitored by the Line Department to ensure compliance. Penalties have also been specified in the contract in the event of non-compliance to achieve targets set:

Table 1: KPIs Commitments

Key Performance Indicator	Commitments
Graduates employed and trained	30 Personnel
Women in workforce	50% of the workforce
Disabled in workforce	10% of the workforce
Youth in workforce	60% of the workforce
Local co-investor/partners, e.g., employees	70% of the workforce
Job Creation (permanent)	Indirect Staff – 13

	Direct Staff – 130 to 160
Job creation (temporary – during construction)	363
Social and economic development e.g., training and education	132 employees
Total amount invested – upfront and over project duration	R284 871 166.00

Table 2: Local Content Commitment:

Element	DTIC Standards	Commitment
Bus body	80% Local Content (Region not specified)	Up to 80% will be sourced locally (within South Africa) of which at least 50% will be sourced from the eThekweni region
Rolling Chassis	Not Specified	100% of the chassis will be assembled in the eThekweni region at the manufacturing plant that will be specifically established for the manufacture of the midi-buses procured via this tender
Hang-on Parts (HOP) for chassis	10% local content, was proposed by ETA and approved by DTIC	100% will be sourced locally (within South Africa) of which at least 10% will be from the eThekweni region

Table 3: Multiplier Effect of the Initiative

Job Creation:				
	Direct	Indirect	Toal	
Permanent	369	146	515	
Construction	294	797	1090	
Total	663	943	1605	
Contribution to GDP (R 'million)				
	Direct	Indirect	Toal	
Operational	R680.5	R288.2	R193.0	R1 161.7
Construction	R19	R84.1	R22.5	R 125.6
Total impact on GDP	R699.5	R372.3	R215.5	R1 287.3
Contribution to Household Income:				
	Low Income	Medium Income	High Income	
Permanent	R170.18	R237.41	R651.68	
Construction	R60.18	R76.70	R301.68	

During discussion at the Executive Committee level, the Committee acknowledged interventions explored to secure what was viewed to be tremendous initiative to promote eThekweni Municipality as the economic hub of KwaZulu-Natal. The Municipality was applauded for being progressive in prioritizing local content and businesses to lead this initiative. Mention being made that this will also assist in developing skills of residents to eradicate challenges of unemployment. Emphasis also being made that implementation of this initiative should be fastracked.

With the DA Members abstaining, and other members being in full support,

COMMITTEE RECOMMENDS:

11.1

That Council notes procurement strategy initiated seeking to utilise the City of eThekweni's purchasing power to acquire three hundred (300) midi-buses for Durban Transport fleet replacement and Integrated Public Transport Network (IPTN) requirements to attract investment into the City through establishment of a manufacturing facility for the purpose of manufacturing midi-buses, as well as anticipated socio-economic benefits to be derived from this planned acquisition.

11.2

That, subject to .1 above, authority be granted for the acquisition of 300 midi-buses under the Durban Transport Bus Replacement Programme, as well as the IPTN, at an estimated cost of R1 600 000 000.00 (One Billion Six Hundred Million Rand), as per the costs breakdown below:

- (i) 2023/2024 Financial Year; R215 Million (Budget Adjustment)
- (ii) 2024/2025 Financial Year; R368 Million
- (iii) 2025/2026 Financial Year; R503 Million
- (iv) 2026/2027 Financial Year; R590 Million

Financial Implications:

The following are financial implications associated with the process of acquiring 300 midi-buses:

- i) R1 600 000 000.00 (One Billion Six Hundred Million Rand) for the acquisition of 300 midi-buses, based on scenario 4: Euro 6 fuel technology, reduction of warranty from 7 to 5 years, and frontloading of payment for the vehicle, with an upfront payment equivalent to 15% of the total cost;
- ii) R285 000 000.00 (Two Hundred and Eighty-Five Million Rand) investment for the establishment of the manufacturing facility for the midi-buses;
- iii) Economic multiplier effect of R1 300 000 000.00 (One Billion Three Hundred Million Rand) contribution to GDP and
- iv) Exemption granted by the Department of Trade and Investment for fifteen (15) units to be manufactured in the United Kingdom, without attracting import duties and taxes.

In addition, the following recommendations have been made in the design of the financial model and strategy for the project:

- a) Ring-fencing of 15% of the PTNG for loan repayment is not sufficient to cover the required total repayments, with deficits ranging from R904 000 000.00 (Nine Hundred and Four Million Rand) (11.5% interest) to R493 000 000.00 (Four Hundred and Ninety-Three Million Rand) (8% interest) and R272 000 000.00 (Two Hundred and Seventy-two Million Rand) (6% interest);
- b) Frontloading of payment for the vehicles is beneficial, especially at the higher interest rate, with the benefit reducing at lower interest rate. At 11.5% interest rate, frontloading payments for vehicle results in a lower unit cost, and saving of R152 476 737.04 (One Hundred and Fifty-Two Million Four Hundred and Seventy-Six Thousand Seven Hundred and Thirty Seven Rand Four Cents) as compared with a scenario under which payments are aligned with vehicle delivery.

Speaking on the matter, the DA cited that the report is not clear and specific in terms of stakeholders to partner with the Municipality on this Durban Transport Bus Replacement Programme. They further cited that there was no mention of the Municipal Entity to operate the three hundred (300) midi-buses, it being noted that there were ongoing challenges with Tansnat – the Municipal Bus Operators. They further cited the unresolved challenges within the Go-Durban project. In this regard, the DA voted against the matter, until such time that all the requested information is made available and for confirmation to be given that all relevant parties in the public transport industry have been informed and buy-in obtained.

Thereafter, as some members were not in support of the recommendations, the matter was put to the vote. With 164 Councillors present, 116 Councillors (ANC - 89, EFF – 17, IFP- 0, ABC – 02; ACC- 01, ACDP – 00; ADEC – 00, APF – 01; ATM – 01, DLC – 00; AIC- 02; JEP - 00; KZNI – 01, MOSA- 00, NFP - 01; PFP – 01, PRM – 00, TA- 00 and UIM – 00) voted in favour of the recommendations and 46 Councillors (DA – 43, Action SA – 02 and VF-Plus – 01) voted against the matter. 2 Councillors (ALJAMAH – 01 and MF – 01) abstained on the matter.

Accordingly, the above recommendations were by a majority vote,
ADOPTED.

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

THIRD REPORT OF THE EXECUTIVE COMMITTEE

(Meeting held 2023-12-11)

PRESENT : Executive Committee Members TM Kaunda (Mayor and Chairperson), ZP Myeni (Deputy Mayor), A Beetge, Y Govender, NI Madlala, TM Mthethwa, OB Mvubu, BT Ntuli and ZR Sokhabase.

ABSENT : Executive Committee Member MS Nkosi.

1.1 REQUEST FOR APPROVAL OF 2023-24 BUDGET REPRIORITISATION, REVISED GRANTS ALLOCATIONS AND APPROVED 2022/23 ROLLOVER GRANTS

(Page 1)

In terms of Section 28(2) of the Local Government: Municipal Finance Management Act No. 56 of 2003, the Mayor must table revised budget in the next available Council or within 60 days of the approval of the funding adjustments by National or Provincial Treasury. This submission to Council therefore responds to the aforesaid compliance requirements following the revision of grant funding as well as grants rollover for the eThekweni Municipality.

The grants revision and rollover impact Departmental priorities and thus a need to reprioritize budget to align projects with funding available to respond to service delivery matters. A summary of grants revision; roll-over and related matters is reflected in the table below, with detailed information contained in the document attached herein:

No.	Category	Total Amount Allocated
1.	Revised Grant Allocation	R2 993 548
2.	Approved Roll-over Grant	R1 576 759
3.	Frozen Projects due to Grant Revision	R5 916
4.	New Projects to be Funded through Grants	R41 974
5.	Additional Grants Allocation	R89.5
6.	Expenditure Reprioritization	R850.1
7.	Additional Expenditure	R147.7
8.	Anticipated Over-expenditure	R384.7
9.	Capital Projects Deferred Due to Grants Revision	NDPG: R15 000
		PTNG: R130 000
		USDG: R92 727
		SUP: IR49 665
10.	Municipal Disaster Recovery Grant Rollover	
11.	Municipal Disaster Recovery Grant Allocation	
12.	Revised Capital Budget	

During discussions, members unanimously welcomed the report and explanation given in terms of factors informing budget reprioritization. The Committee greatly appreciated feedback given by the Finance Team that National Treasury has declared eThekweni Municipality the most financial stable Municipality in the country. That such accolade should then be complemented by spending wisely to ensure funds go towards service delivery matters as per the planned programmes and projects.

Speaking on budget reprioritization, and while the Committee understood the rationale behind reprioritizing the budget, emphasis was put on the need for the Departments to ensure allocated budget is spend accordingly and within stipulated timeframe thereby ensuring service delivery is improved for the benefits of the local communities. On the other hand, the Committee acknowledged a call to monitor and curb overtime spend, however, appreciated a thought given that there are critical services where overtime is inevitable, in particular, the focus on the Water & Sanitation Unit to prioritize dealing with water loss.

The attention of the Committee was then drawn to the sensitivity surrounding the Public Employment Programme (PEP) in terms of the Programme having been suspended to the disadvantage of beneficiaries. It was emphasized that PEP is critical in alleviating poverty, and that the programme be resuscitated urgently.

Thereafter, the Democratic Alliance (03) abstained on the matter, and with the other Political Parties being in support,

COMMITTEE RECOMMENDS:

- 1.1.1 That Council approves the reprioritization report as per Annexure A and Annexure B and thereafter note that an amount of R174 915 000.00 (One Hundred and Seventy-Four Million Nine Hundred and Fifteen Thousand Rand) for Capital projects was previously submitted to Council by the respective clusters for approval.
- 1.1.2 That Council approves freezing and deferring to the next financial year the projects amounting R293.3 million due to grant allocation reduction as per amended Division of Revenue Government Gazette 49550 of 24 October 2023.
- 1.1.3 That Council notes approval by National Treasury to rollover grants in the amount of R1.6 billion for the eThekweni Municipality.
- 1.1.4 That Council grants project authority to incur expenditure in the amount of R16.4 million under the Municipal Disaster Grant.
- 1.1.5 That Council notes unfunded operating budget request in the amount of R384.7m.
- 1.1.6 That Council grants project authority for unfunded additional capital projects for single and multi-years, subject to savings being identified from projects that have not started the supply chain management process or have not spent allocated funding, and allocation requests recorded as follows:
 - (i) R429.9m: 2023-24 Financial Year
 - (ii) R356.1m: 2024-25 Financial Year
 - (iii) R112.5m: 2025-26 Financial Year

1.1.7

That the City Manager be mandated to facilitate the review of projects, and based on performance, reprioritize funding to accommodate funding requirements for additional capital requests as per .6 above.

Commenting on the matter, the DA abstained on the matter, mentioning that they were not convinced that the Municipality will be able to spend the remaining approved roll-over of Municipal Disaster Recovery Grant budget of R1, 296 billion for the 2023/2024 financial year, also citing that the Municipality is still waiting for the 2022 flood relief grant. They further expressed concern that infrastructure repairs were moving at a slow pace, as they stated that this was also causing the Municipal beaches still having extraordinary E. coli levels.

On the other hand, they congratulated the eThekweni team for being the overall winners during the 2023 KZN-SALGA Games. However, they also expressed reservations that the Municipality find itself with additional expenditure requests amounting to R147 million, in this regard, they referred to the required additional funding for foreign accommodation, hire charges within Intergovernmental Relations and Mayoral Parlour Units, as well as catering vote within the Community Participation Unit. They indicated that the unfunded mandate had to be eliminated, emphasizing that the Municipality should have foreseen the anticipated additional expenditure, and reduced spending accordingly.

Also commenting on the 2023/2024 Budget Reprioritisation, Revised Grants Allocations and Approved 2022/2023 Rollover Grants, the EFF supported the recommendations and mentioned that all items listed on the report were necessary. However, they noted with reservations that there was still a backlog in delivering the RDP houses, indicating that the beneficiary lists as well as waiting lists for the housing subsidy were still not made public. They further expressed concern on what they strongly viewed as dysfunctional Parks, Recreation and Culture Unit, mentioning that there is no political oversight and accountability over the responsibilities of this Unit. On the issue of EPWP and PEP programmes, it was requested that these Programmes be resuscitated and properly managed to avoid audit findings in future.

Also joining the discussions, the ActionSA abstained on the matter, indicating that it was unfair for Councillors to be expected to scrutinise the Laid-on Table budget reprioritisation report. On the service delivery matters, the ActionSA indicated that most of the Municipal beaches are closed due to sewer spillages pointing out that this is posing risks to the lives of the residents of eThekweni. However, the notion by the ActionSA was corrected, reference being made to the latest official results released by the Municipality.

Meanwhile, the ATM supported the budget reprioritization on the other hand finding it strange that some Parties do not support the budget but take the lead in criticising its implementation.

Thereafter, the ANC mentioned that the Municipal leadership is fully aware of the challenges faced by the Municipality and is working tirelessly to resolve them. Also shared similar views with that of the ATM regarding Parties not supporting the budget but criticizing its implementation. The attention was then drawn to the National Treasury Circular issued in August 2023, and summarizing key elements of fiscal challenges faced by the government in the 2023/2024 financial year, and the cost containment measures to be adhered to. It was further advised that this resulted in some funding previously allocated to Government Departments and Municipalities being withdrawn, and therefore the wish list on the Municipal budget did not match the available budget, which then necessitated for Council to consider this report on the 2023/2024 Budget Reprioritisation, Revised Grants Allocations and Approved 2022/2023 Rollover Grants.

Continuing with the reasons for this budget reprioritization, the ANC mentioned that due to the difference between the budget cycles of the National Government and Municipalities,

some grant funding was received two (02) months before the end of the financial year, which then made it difficult for the Municipality to commence with the procurement processes to be undertaken in an open and fair manner. They further mentioned that Council also had to prioritise repairs to infrastructure damages due to the April 2022 floods.

Also commenting on the matter, the NFP emphasized that the budget reprioritization approval will enable the Municipality to fasttrack service delivery issues, particularly within the Water and Sanitation Unit.

In concluding discussion, the ANC emphasised the importance of eThekweni Municipality continuing positioning itself and competing with other international Cities to attract investments to grow the economy of the City. They also acknowledged the housing backlog, information given that the Human Settlements Unit had conducted a workshop to address housing backlog challenges. On the issue of Municipal beaches, it was advised that eThekweni Metropolitan operates the highest number of beaches in the Country. Mention being made that, there has not been a single cholera incident reported in the year 2022. That the City still attract visitors from all the World, indication given that the number of occupants in the Durban Hotels has also been increasing.

Council members were cautioned against circulating negative and unverified messages in various media platforms, as this negatively affects the image and reputation of the City. It being further mentioned that the test of E-coli levels on beaches is periodically undertaken by scientist and the results thereof fluctuate, however, these were being officially issued by the Municipality on a continuous basis.

As some members were not in support of the recommendations, the matter was put to the vote. With 160 Councillors present, 114 Councillors (ANC - 88, EFF - 14, IFP- 0, ABC - 02; ACC- 01, ACDP - 00; ADEC - 00, APF - 01; ATM - 01, ALJAMAH - 01, DLC - 00; AIC- 02; JEP - 00; KZNI - 01, MF - 01, MOSA- 00, NFP - 01; PFP - 01, PRM - 00, TA- 00 and UIM - 00) voted in favour of the recommendations and 43 DA Councillors voted against the matter. 3 Councillors (Action SA - 02 and VF-Plus - 01) abstained on the matter.

Accordingly, the above recommendations were by a majority vote, ADOPTED.

(At this stage of the proceedings Councillor BA Fortein, in his capacity as the Member of the Municipal Public Accounts Committee, presented the report of the Committee).

REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

1. **UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL (UIFW) EXPENDITURE: MULTIPLE FINANCIAL YEARS FROM 2017/2018 TO DATE (2022/2023)**
(As contained in the Council Agenda (2023-12-11))

COMMITTEE RECOMMENDS:

- 1.1 That in compliance with Section 32(2) of the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003, irregular, fruitless and wasteful expenditure totalling R4 231 711.14 (Four Million Two Hundred Thirty-One Thousand

Seven Hundred Eleven Rand Fourteen Cents), as detailed in “Annexure A” of the Council Agenda dated 2023-12-11, be certified as irrecoverable and Council approves write-off, based on the outcomes of the investigations of such expenditure.

- 1.2 That it be noted that any consequences management recommendations will be implemented in accordance with the relevant legislation, Council Policy and Procedures; including oversight by the Financial Misconduct Disciplinary Board.
- 1.3 That the City Manager ensures that consequences management processes are expedited to ensure that errant officials and service providers are held responsible for the UIFW expenditure incurred, as any delays in this regard can result in debt being prescribed and disciplinary processes not having prospects of success.

Commenting on the report, the ActionSA submitted that there is no value received by the residents on the proposed irregular, fruitless and wasteful expenditure, citing that there were interest and penalties paid on the overdue account. They were of the view that these recommendations highlighted how ineffective the Municipal Public Accounts Committee has become.

Also commenting on the matter, the EFF mentioned that the Country is still attempting to recover from the effects of the apartheid regime, however they were of the view that some Council members are constantly criticizing all the good being done by the Municipality. They mentioned that the report was clear in that there was no value for money, therefore the Financial Misconduct Disciplinary Board should take appropriate steps to recover and safeguard the Municipal funds, and those responsible for any maladministration to be held accountable.

Thereafter, the ANC mentioned that all Councillors that serve on the Municipal Public Accounts Committee had to be respected, as they have been deployed by Council based on their necessary expertise, skills, and knowledge to serve in the Committee. They supported the recommendations and further mentioned that the processes for resuscitation of the Financial Misconduct Disciplinary Board were unfolding, to hold officials accountable for any wrongdoing, where applicable. That the City is continuing to attract investment, reference being made amongst others, to the new Giba Business Estate Development at Shongweni area. Emphasis being made that most of the repairs to the City's infrastructure due to flood damages were successfully and with others repairs still ongoing.

It being emphasised that the role of Councillors was not to criticize the work of the Municipality, but to acknowledge the shortcomings and to be solution-driven. Mention being made that the fight against corruption was an ongoing process.

Accordingly, the above recommendation of the Municipal Public Accounts Committee were, **ADOPTED.**

(At this stage of the proceedings Councillor ON Zondi-Mthembu, in her capacity as the Chairperson of the Ethics Committee, presented the report of the Committee).

REPORT OF THE ETHICS COMMITTEE

(Laid-on-Table)

1.1 ALLEGED BREACH: CODE OF CONDUCT FOR COUNCILLORS RELATIVE TO COMMUNITY ENGAGEMENTS DUE FOR QUARTER ONE (JULY - SEPTEMBER 2022); QUARTER TWO (OCTOBER - DECEMBER 2022) AND QUARTER THREE (JANUARY - MARCH 2023) OF 2022/2023 FINANCIAL YEAR (3/4/6)

- 1.1.1 That Council approves recommendations by the Ethics Committee, including proposed sanctions in respect of forty (40) Councillors found to be in breach of Schedule 7: Code of Conduct for Councillors, as contained in the Local Government: Municipal Structures Act No. 117 of 1998, for failure to convene at least quarterly community engagement during Quarters 01, 02 and 03 of the 2022/2023 financial year, and with details of the recommendations reflected in the table below:

Item No.	Councillor Details	Reporting Quarter	Ethics Committee Decision	Sanction
1.	Councillor A Beetge	Quarter 01	Plea 1: Guilty Plea 2: Not Guilty	Formal Written Warning
2.	Councillor RD Macpherson	Quarter 01	Plea 1: Item Withdrawn Plea 2: Item Withdrawn	Item Withdrawn
3.	Councillor S Mthethwa	Quarter 01	Plea 1: Guilty Plea 2: Guilty	Reprimanded
4.	Councillor S Govender	Quarter 01	Plea 1: Councillor absent during the Inquiry. Found guilty in absentia Plea 2: Councillor absent during the Inquiry. Found guilty in absentia	R2 500.00 Fine Subject to behavior of the Councillor, further fine of R2 500.00 to be suspended, as per the Council decision of 2023-08-15.
5.	Councillor TJ Mnguni	Quarter 01	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
6.	Councillor MM Ngiba	Quarter 01	Matter closed as Councillor Ngiba has ceased to become a Council Member based on the Council decision supported by the MEC: CoGTA, as per the statutory requirement.	Matter Closed
Quarter 2 (October - December 2022) and Quarter 3 (January - March 2023)				
7.	Councillor LBS Jali	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Formal Written Warning

Item No.	Councillor Details	Reporting Quarter	Ethics Committee Decision	Sanction
8.	Councillor SNC Khwela	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
9.	Councillor AD Snyman	Quarter 03	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
10.	Councillor SD Hlongwa	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
11.	Councillor Jane Naidoo	Quarter 03	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
12.	Councillor S Mnyandu	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
13.	Councillor NJ Bollman	Quarter 03	Plea 1: Guilty Plea 2: Guilty	Formal Written Warning
14.	Councillor M Johnson	Quarter 03	Plea 1: Not Guilty Councillor provided evidence confirming meetings held in Q3 Plea 2: Guilty	Item Withdrawn Reprimanded
15.	Councillor MA Mgobhozi	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
16.	Councillor G Govender	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Verbal Warning Formal Written Warning
17.	Councillor DF Mngadi	Quarter 03	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
18.	Councillor EL Singh	Quarter 02	Plea 1: Not Guilty Councillor provided evidence confirming meetings held in Q2. Plea 2: Guilty	Item Withdrawn Verbal Warning
19.	Councillor NN Nyanisa	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
20.	Councillor NL Khuzwayo	Quarter 03	Plea 1: Guilty Plea 2: Guilty	Formal Written Warning Verbal Warning
21.	Councillor M Brauteseth	Quarter 02	Plea 1: Guilty Plea 2: Guilty	Verbal Warning
22.	Councillor N Munien	Quarter 03	Plea 1: Guilty Plea 2: Guilty	Reprimanded
23.	Councillor R Cloete	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
24.	Councillor RL McKenzie	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
25.	Councillor A Maharajh	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
26.	Councillor TJ Mkhize	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	A total fine of R3 000.00 (Three Thousand Rand) for all three charges

Item No.	Councillor Details	Reporting Quarter	Ethics Committee Decision	Sanction
			Councillor fined R1 000,00 (One Thousand Rand) per breach.	
27.	Councillor EG Smith	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Formal Warning Formal Warning Formal Warning
28.	Councillor M Lutchmen	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
29.	Councillor SV de Boer	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
30.	Councillor F Ismail	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Reprimanded Reprimanded Reprimanded
31.	Councillor GJ Hegter	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Formal Written Warning Formal Written Warning Formal Written Warning
32.	Councillor SG Nene	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
33.	Councillor A Rampersad	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Formal Written Warning Formal Written Warning Verbal Warning
34.	Councillor MB Mjadu	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
35.	Councillor DR Nowbuth	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Formal Written Warning Formal Written Warning Formal Written Warning
36.	Councillor JC van den Berg	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Formal Written Warning Formal Written Warning Formal Written Warning
37.	Councillor BSB Sindane	Quarters 02 & 03	Plea 1: Guilty Plea 2: Guilty Plea 3: Guilty	Verbal Warning Verbal Warning Verbal Warning
38.	Councillor NM Mhlongo	Quarter 02	Plea 1: Not Guilty Councillor provided evidence confirming meetings held in Q2 Plea 2: Guilty	Item Withdrawn Verbal Warning

Item No.	Councillor Details	Reporting Quarter	Ethics Committee Decision	Sanction
39.	Councillor SM Windvogel	Quarter 03	Plea 1: Not Guilty Councillor provided evidence confirming meetings held in Q3 Plea 2: Guilty	Item Withdrawn Verbal Warning
40.	Councillor ZO Mnomya	Quarter 03	Plea 1: Not Guilty Councillor provided evidence confirming meetings held in Q3 Plea 2: Guilty	Item Withdrawn Formal Warning

1.2 That Council notes that, in accordance with Section 16(4)(a) of Schedule 7: Code of Conduct for Councillors, all Councillors that have been found guilty and sanctioned, as indicated in .1 above, may within 14 days of having been notified of the decision of the Council, appeal to the MEC: Co-operative Governance and Traditional Affairs (CoGTA) in writing, setting out the reasons on which the appeal is based.

1.3 That Council notes, in terms of Section 16(3) of Schedule 7: Code of Conduct for Councillors. the Speaker must inform the MEC: CoGTA within 14 days of the findings and sanctions decided by the Council in relation to Councillors in breach of the Code of Conduct.

Prior to the Chairperson of the Ethics Committee, Councillor ON Mthembu-Zondi, officially tabling the Ethics Committee Report, the Chairperson requested Councillors implicated on the report to recuse themselves from the meeting.

Subsequently, the DA raised a point of order, and referred to Rule 17(1) (2) of the Rules of the Order By-Law as amended, which dealt with declaration of interest, and read as follows:

-

“17.(1) A Councillor wishing to declare that a matter is before the Council or committee of Council in which that Councillor or their spouse, partner or business associate has a direct or indirect personal or private business interest in terms of the provisions of the Code of Conduct must do so after the item or notice of motion in respect of which such interest exists, has been called.

(2) A Councillor must recuse himself or herself from a matter which is being discussed in which a Councillor or their spouse, partner or business associate has any direct or indirect personal or private business interest and which Councillor is required to withdraw in terms of item 3 (b) of the Code of Conduct.”

In this regard, the DA submitted that it was unprocedural for the Chairperson of the Ethics Committee to declare interest on behalf of the implicated Councillors as well as requesting the aforesaid Councillors to recuse themselves. They further cited that Councillors had to be given an opportunity to individually declare interest and recuse themselves from the meeting on their own accord.

For the debate to ensue in a proper manner, the Chairperson officially presented the Report, and advised of the plea by each Councillor which appeared before the Ethics Committee, as well as the sanctions imposed thereafter.

Subsequently, the DLC enquired whether the sanctions for informal warnings on the report was precise. A correction was then made to all references to informal warnings sanctions on the report to reflect verbal warning.

Further commenting on the report, the DA dissented on the recommendations, on the basis of the procedure that was followed, as they believed that there were inconsistencies and weaknesses in certain aspects. They mentioned that it was unfair and unprocedural for some Councillors to be referred to the Ethics Committee when those Councillors have complied with the requirements of the Code of Conduct, citing that the matter has been formally reported to the Office of the Speaker.

Joining the debate, the ANC raised a point of order which was sustained, wherein it was clarified that the report had to be dealt with on an individual basis, in terms of the sanctions per each Councillor. However, that Council cannot open the debate afresh as investigations and evidence were presented to the Ethics Committee and with Councillors implicated also being given an opportunity to present their side of the story.

In support of the above, the ActionSA further mentioned that the Councillors implicated that are against the sanctions being imposed, have 14 days within which to appeal the decision of the Council.

Meanwhile, the ADEC mentioned that it was a requirement of the law for Councillors to convene public meetings to ensure accountability. Mention being made some of the Councillors were not exercising their duties in terms of the Local Government: Municipal Structures Act No. 117 of 1998 and the Code of Conduct.

Commenting yet again on the matter, the DA mentioned that the mere fact that the report was part of the agenda items for discussion in today's meeting, it then warrants for Council members to openly debate the matter. They strongly disagreed with the principles that guide the compilation of the report and the outcomes thereof, even though they emphasised that all Councillors are accountable to the Speaker as well as the public. They dissented on the way the investigations have been conducted by the Committee, citing that there are better ways of ensuring that there is clear accountability.

Meanwhile, the EFF reminded Council that the Ethics Committee being the custodian of the Code of Conduct is properly constituted, with available three (03) qualified lawyers including experienced former Unionist. Mention being made, it was unbecoming for some Council members to doubt the procedures. They emphasised that all processes of the Committee were fair and open as Councillors implicated were given an opportunity to also present evidence during their hearings. They further reiterated that Councillors that have been found guilty and sanctioned, may appeal to the MEC: Co-operative Governance and Traditional Affairs in writing, setting out the reasons on which the appeal is based.

Also joining the discussion, the DLC emphasised that convening community meetings is a responsibility of Ward Councillors, citing that in some instances, service delivery is lacking due to community meetings not being held, and residence being left without knowledge of essential Municipal programmes. Regarding the sanctions being imposed, the DLC mentioned that the sanctions had to be more stringent, and thus supported the recommendations.

In closing the debate, the APF mentioned that it was common for some political caucuses not to be in support and to entrust Council structures capable of investigating matters on behalf of Council. The recommendations of the Ethics Committee were also supported.

Thereafter, as some members were not in support of the recommendations, the matter was put to the vote. With 140 Councillors present, 110 Councillors (ANC - 71, EFF - 17, IFP- 0, Action SA - 02, ABC - 02; ACC- 02, ACDP - 02; ADEC - 01, APF - 01; ATM - 01, ALJAMAH - 01, DLC - 01; AIC- 02; JEP - 00; KZNI - 01, MF - 01, MOSA- 00, NFP - 01; PFP - 01, PRM - 01,

TA- 00, UIM – 01 and VF-Plus – 01) voted in favour of the recommendations and 30 DA Councillors voted against the matter. There were no abstentions recorded.

Accordingly, the above recommendations were by a majority vote, **ADOPTED**, with correction of all informal warnings to reflect verbal warning.

(At this stage of the proceedings His Worship the Mayor Councillor M Kaunda, presented his report in terms of the Local Government: Municipal Finance Management Act No. 56 of 2003 (MFMA).

REPORT OF THE MAYOR IN TERMS OF THE MFMA

Prior to His Worship the Mayor presenting his Report, the DA raised a point of order and referred to Rule 12 which reads as follows.

“Agenda

- (1) *All meetings must be conducted according to the order in which the matters appear on the agenda before the Council and only matters which are on the agenda may be debated, subject to subrule (2).*
- (1A) *The agenda for an ordinary meeting together with all relevant documentation, must, where possible, be delivered or made available to all Councillors at least 72 hours before such meeting: Provided that a failure by any Councillor to receive an agenda or relevant documentation does not affect the validity of any item placed on the agenda.”*

The DA mentioned that copies of the Mayor’s Report were supposed to be circulated to all Councillors prior to the Mayor presenting same.

The Report was then circulated to all Councillors through eThekweni Council email address. However, at this stage of the proceedings, time being 17h46, the DA requested ten (10) minutes for a caucus, but this was not granted by the Speaker. Subsequently, all DA Councillors left their seats and congregated against the wall but inside the meeting venue.

Thereafter, His Worship the Mayor presented the following report:-

2023 SALGA-KZN Games

His Worship started by commending all the athletes from eThekweni Municipality who participated in the SALGA KZN Games hosted by the King Cetshwayo District Municipality. That, as a result of their stellar performance, eThekweni Municipality became the overall winners of the games, bringing home eight (8) out of thirteen (13) gold medals. In this regard, Council members extended a huge round of applause and the continued success of the team which spoke volumes about the investment the City was making in sport development and most importantly in building sport facilities in township and rural communities.

State of the Municipal Finances

He reported that despite the tough global economic climate, eThekweni Municipality remains financially sustainable. The Municipality's cashflows have remained resilient over the past seven (07) years despite the economic pressures brought by the Covid-19 pandemic, the July 2021 Civil Unrest, and the recent floods. Although the cash on hand declined to its lowest level of R4,4 billion during the start of the Covid-19 pandemic, the Municipality has made great improvement to current levels. It was reported that as at 30 November 2023, the Municipality had cash on hand of R7,6 billion with days cash on hand of sixty-one (61) days. That the days cash on hand is within the National Treasury norm of 30-90 days.

It was further reported that the Municipality's liquidity indicators have remained healthy with the current ratio of 1,56 times as at 31 October 2023, which is within the National Treasury norm of between 1,5 – 2,0 times. Furthermore, as part of the liquidity management, the income and expenditure are closely monitored to ensure that cash flow needs are met accordingly. His worship mentioned that the Municipality is pleased to report that as at the end of October 2023, its fixed investments totalled R 7,55bn of the R 7,79bn cash on hand. In terms of the operating budget for the period ending 31 October 2023, it was mentioned that the revenue was in line with the budget. The total income as at 31 October 2023 was R18.87 billion and total expenditure was R17.39 billion resulting in a surplus of R1.48 billion.

His Worship reported that several interventions are being implemented to improve spending on capital budget which include weekly monitoring and oversight meetings on projects, procurement planning, and improvements to project management. The Municipality was projecting to spend 100% of its grant funding by the end of the financial year in June 2024.

Water losses

It was reported that the Municipality is working tirelessly to address issues of water and electricity losses. That most of the water losses were caused by aging infrastructure, illegal connections, and the recent floods. To address this situation, the Municipality was implementing the following remedial actions:

- Installation Pressure Reducing Valves (PRV's)
- Reservoir inlet and outlet metering
- Meter Connection Housing Projects
- Installation of meters in the informal settlements
- Investigate properties with zero consumption.
- Metering historically unmetered Housing Projects
- Replacement of Domestic Water meters

Rates Clearance Certificate

His Worship then reported that the Municipality was giving full attention to accelerate the process to issue rates clearance certificates. It being advised that, the issuing of rates clearance was a matter of strategic importance to the Municipality, and it is one of the indicators of economic growth. In addition, it was reported that the World Bank has listed the issuing of rates clearance as one of the matters to consider when deciding on the City or Country to do business with.

The Revenue Unit was commended for accelerating this process from 01 November despite the challenges of meter reading. As at the end of November, it was reported that the rate clearance was at 83.94%. That the improvement can be attributed to the following interventions:

- Improved meter reading
- Constant engagements with the conveyancing fraternity.

- Improved communication through Lexus Nexus and E4;

It was further reported that the development of the Rates Clearance Certificate Turnaround Plan which started on 01 November 2023. In addition, in order to improve the issuing of Rates Clearance Certificate going forward, the Municipality is introducing a Rates Clearance System, which will reduce the turnaround time on the issuing of the Rates Clearance Certificate to a period of less than a month.

Collection Rate

As part of improving the Municipality's rate collection, His Worship reported that the Municipality was also implementing credit control measures which include disconnection of services. That recently, the Municipality have established a Disconnection Committee which meets every weekly to deal with targeted disconnections. Further, that in the past five (05) months, the Municipality has undertaken disconnections to 90 731 customers with a book value of R7.97 billion for both water and electricity. With the meter reading function having re-started last month, the number of the disconnections will pick up again and more orders will be issued.

That through these credit control initiatives in the last five (05) months, the Municipality has achieved higher than budgeted collection of R17,3 billion against a budget of R 16,6 billion. While the Municipality was implementing these essential measures, it was fully conscious of the challenges some of its residents continue to face as they struggle to make ends meet.

Therefore, as a caring Municipality, it was reported that in October 2023, Council also approved a debt relief programme, and to date, have received 8 114 applications valued at R712 million in capital debt and R74 million in interest debt. That the Municipality was confident that as the programme comes to an end, more customers whose account are in arrears for a period of ninety (90) days will take advantage of this opportunity.

Land Release Strategy

His Worship provided an update on the progress the Municipality have made in the implementation of the Council's new Land Released Strategy. He was pleased to report that between May 2021 and November 2022, a total number of twenty (25) properties were advertised. That this process has culminated in the awarding of the following viable properties:

- 11 properties awarded to successful bidders as of 30 November 2023;
- 11 awards made to companies that are 100% owned by Black people;
- 9 awards made to companies that are owned by 100% By Africans; and
- 2 awarded to a youth-owned company.

In addition, nine (9) properties on the Durban Beachfront are currently on tender, and a further twelve (12) properties will be advertised in the week ending 15 December 2023.

He further outlined the reason for the public tender process being utilised for the Langeni and Maharani Hotel Leases. That on the onset, Section 217 (1) of the Constitution provides that when an organ of state in the National, Provincial, or Local Sphere of Government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive, and cost-effective.

Further, that Section 14 (5) of the MFMA states that "Any transfer of ownership of a capital asset in terms of subsection (2) or (4) must be fair, equitable, transparent, competitive, and consistent with the Supply Chain Management Policy which the Municipality must have and maintain in terms

of section 111.” In addition, Clause 14 of the lease agreement does not allow for renewal or conversion of the leasehold into freehold. Therefore, the lease renewal would have been in breach of Clause 14 of the lease agreement.

Furthermore, a direct transaction was going to be non-complaint with the Constitutional requirement of Section 217 which requires the process to be fair, equitable, transparent, competitive, and cost-effective. In this regard, Section 14 (5) of the MFMA must also be adhered to. That in accordance with the relevant Council decisions and comments from the National Treasury, the property was advertised on public tender inviting proposals from the private sector for the long-term leasing and redevelopment of the properties. This process will ensure that there is transparency. The closing date for the Request For proposal (RFP) is 8 March 2024. Any bidder meeting the requirements can submit a proposal.

He further provided an update on the number of churches that have benefitted from the 90% Policy of Disposal of Land and Granting of Right Policy of 2019. That this policy forms part of the Municipality’s holistic approach to achieving total transformation of the society and to promote land ownership and security tenure. Since the adoption of the policy, the following milestones have been achieved:

- Seven (07) properties sold to churches and 4 will be going out tender by 30 June 2024.
- Forty-six (46) Sale agreement signed with churches.

In concluding his report, His Worship mentioned that the above report clearly demonstrates that the Municipality is at work and making every effort to remain functional and financially sustainable. Also, that the Municipality is pleased that its residents and visitors are appreciating this effort as demonstrated by the number of visitors that are flocking into the City since the beginning of December 2023. The Municipality was also delighted about the progress being made in finalizing the repairs at the Children Amusement Centre paddling pool. That this gives the Municipality full confidence that Durban is indeed poised to deliver a safe and memorable 2023 festive season.

Thereafter, the above report was accordingly, **NOTED**.

REPORT OF COMMITTEE DECISIONS

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

1. **COMMUNITY SERVICES COMMITTEE**

Meeting held on : 2023-10-18

2. **EXECUTIVE COMMITTEE**

Meetings held on : 2023-10-19

: 2023-10-24
: 2023-10-30

3. FINANCE COMMITTEE

Meeting held on : 2023-10-18

4. HUMAN SETTLEMENTS AND INFRASTRUCTURE COMMITTEE

Meeting held on : 2023-10-20

5. ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE

Meeting held on : 2023-10-26

6. SECURITY AND EMERGENCY SERVICES COMMITTEE

Meeting held on : 2023-11-16

7. LOCAL LABOUR FORUM: TREASURY & OFFICE OF THE CITY MANAGER
CLUSTER

Meeting held on : 2023-10-11

ITEMS FOR NOTING

The Items for Noting, reflected on Pages 27 to 32 of the Agenda, pertaining to the items discussed and resolved at the Executive Committee level during the month of October 2023 were, **NOTED.**

The meeting terminated at 18h00 and moved into In-committee.

APPROVED AT THE MEETING OF THE ETHEKWINI COUNCIL ON 2024-01-31.

SPEAKER