



**OVERSIGHT COMMITTEE REPORT ON  
2008/09 ANNUAL REPORT**

**OVERSIGHT COMMITTEE MEMBERS:**

Councillor H Sauls-August (Chairperson)

Councillor N R Captain

Councillor L J de Villiers

Councillor P B Lonake

Councillor N S Magopeni

Councillor M Odayar

Councillor Z J Seale

Councillor M D Seti

Councillor E C Trent

Councillor B C Williams

Councillor R V Williams

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## FOREWORD BY THE CHAIRPERSON

Good local governance is underpinned by accountability, transparency and service delivery. Annually, the Municipality produces an annual report that reflects its financial and non-financial performance. The multi-party Oversight Committee was appointed by Council to analyse the annual report and make recommendations on the Municipality's performance. A key element of the Oversight Process is public participation and public involvement. For the purpose of public participation in the review of the 2008/09 Annual Report, nine Oversight Committee meetings and seven public participation meetings were held. Furthermore, due notification of the schedule of meetings was published in the press as well as on the municipal website. In addition, copies of the draft 2008/09 Annual Report were made available for inspection at all municipal offices, libraries, and customer care centres.

The Oversight Process was integrated with the Mayoral Outreach Programme. The positive outcome of this was a marked increase in the number of attendees at meetings, despite a reduction in the number of meetings held. This was achieved mainly through the provision of transport for attendees in various wards.

I am proud to present to you this fourth Oversight Report on the Annual Report for the 2008/09 financial year. The Committee has noted an improvement in the level of institutional performance in certain areas and in the quality of the Annual Report and Oversight Committee meetings and engagements. However, performance in certain areas has not been satisfactory. One point of criticism is the lack of openness in presenting actual performance in certain key performance indicators where targets were not met.

Notable achievements of the institution in the year under review include the following:

- (a) Achieving an unqualified audit report from the Auditor-General.
- (b) Achieving capital expenditure of 99,6%.
- (c) Improving revenue collection to 100,71% after write-offs were taken into consideration.

- (d) Acceleration of basic service delivery.
- (e) Improvement in the provision of water.
- (f) Improvement in the provision of housing opportunities.
- (g) Good performance in the provision of electricity.

However, the Committee is mindful of some performance shortcomings, which include the following:

- (a) Illegal dumping of builders' rubble and domestic waste.
- (b) Continued usage of the bucket system.
- (c) Inadequate public participation processes.
- (d) Insufficient risk management interventions.
- (e) Lack of focus on economic development and sports development.
- (f) Poor performance on MURP and HURP.
- (g) Failure to address issues identified by the Auditor General's Office, leading to repeated findings.

Other performance shortcomings are highlighted in the document as part of matters of concern and recommendations.

Finally, I would like to commend my fellow Oversight Committee members for their hard work and commitment, especially Councillor B C Williams, who acted as Chairperson from time to time. Other members of the Committee who are also thanked, are Councillors N R Captain, L J De Villiers, P B Lonake, N S Magopeni, M Odayar, Z J Seale, M D Seti, E C Trent and R V Williams. I would also like to thank the Acting Municipal Manager, the Chief Operating Officer, the Chief Financial Officer and other Executive Directors and officials for their support in the Oversight Process. A special word of thanks must go to the Office of the Auditor-General and the Audit Committee for their valuable input in the Annual Report and oversight processes.

*On behalf of the Oversight Committee*

**COUNCILLOR H SAULS-AUGUST**  
**CHAIRPERSON : OVERSIGHT COMMITTEE**

## 1. BACKGROUND

Legally, the Municipality is compelled to prepare an annual report reflecting its service delivery performance, as well as its financial and non-financial performance. The requirements for an annual report are contained in the Municipal Systems Act (MSA) Section 46 and the Municipal Finance Management Act (MFMA) Section 121. In addition, Circular 11 issued by National Treasury (NT) and the Annual Report Customised Template and Guidelines provided by the Provincial Department of Local Government and Traditional Affairs provide guidance to municipalities on compliance with the above legislation.

A municipal annual report includes the following major elements:

- *Annual performance report*, comparing the year's performance with the performance objectives established in the IDP, Budget and SDBIPs;
- *Annual financial statements (AFS), Auditor-General's (AG) Audit Report on the AFS and management's responses* to address the AG's audit findings;
- Other *disclosures*, as required by the MFMA in Sections 121, 123, 124 and 125 (e.g. Councillor and top management compensation, grants, bank accounts and investment information).

The MFMA directs the annual report to be completed and tabled in Council by 31 January for the financial year ended the previous 30 June. Council must then review the annual report and adopt an oversight report containing its comments within 60 days.

MFMA Section 129 (1) and National Treasury's (NT) Circular 32 direct and guide the oversight process and the preparation of the oversight report. Circular 32 recommends that Council establish an Oversight Committee to prepare the oversight report, in order to provide all Councillors with a more detailed and comprehensive analysis of the annual report than would have

been practical otherwise. This assists Council in providing better oversight over municipal performance.

The 2008/09 Annual Report was tabled in Council on 25 January 2010, on schedule.

## **2. PROCESS FOLLOWED BY COUNCIL**

On 25 January 2010, Council appointed a multi-party Oversight Committee to review the 2008/09 Annual Report. The Committee consists of members from the ANC, DA and minority parties. This is the NMBMM's fourth Oversight Committee. The Committee is made up as follows:

- African National Congress – 7 members
- Democratic Alliance – 3 members
- Minority parties – 1 member

Other Councillors who were not part of the Oversight Committee attended its meetings from time to time.

The Committee based its work on the following documents:

- 2008/09 Annual Report
- 2008/09 Service Delivery and Budget Implementation Plan (SDBIP), incorporated in the annual report
- 2007/08 Oversight Committee Report
- Management letters between Directorates and Office of the Auditor-General
- MFMA
- NT's Circular 32 – The Oversight Report
- NT's Circular 11 – The Annual Report

The Committee values community participation in the oversight process, and in this regard, the following initiatives were made:

- The schedule of the 2008/09 Annual Report Oversight Committee meetings and an invitation to the public to make comments on the Annual Report were advertised on 29 January 2010 in printed media (*The Herald* and *Die Burger*) and posted on the municipal website.
- The following seven public meetings to present and obtain feedback on the Annual Report were advertised in printed media on 20 February 2010 (*The Weekend Post* and *Die Burger*); 22 February 2010 (*The Herald* and *Die Burger*); 23 February 2010 (*The Herald* and *Die Burger*); 24 February 2010 (*PE Express*); and 25 February 2010 (*Die Son*); and posted on the municipal website:

<b>DATE</b>	<b>VENUE</b>	<b>TIME</b>
Tuesday, 23 February 2010	Nangoza Jebe Community Hall, NEW BRIGHTON	17:00
Wednesday, 24 February 2010	Uitenhage Indoor Centre, UITENHAGE	17:00
Thursday, 25 February 2010	George Botha Hall, KWANOXOLO	17:00
Tuesday, 2 March 2010	Selly Hall, Feather Market Centre	17:30
Wednesday, 3 March 2010	Kuyga Community Hall, KUYGA	17:00
Thursday, 4 March 2010	Henry Fazzie Community Hall, KWADWESI	17:00
Sunday, 14 March 2010	NU 1 Stadium, MOTHERWELL	12:00

- The meetings of the Oversight Committee were open to the public and Councillors.
- The Office of the Auditor-General and the Audit Committee were invited to participate in all Oversight Committee meetings.

### **3. CONCLUSIONS AND RECOMMENDATIONS**

The conclusions and recommendations of the Oversight Committee are in two sections, as reflected below:

- **Compliance issues** – this section contains the Committee’s comments on whether the 2008/09 Annual Report included the items required by the MFMA and followed the guidance provided by NT’s Circular 32.
- **Other Annual Report issues** – this section contains the Committee’s substantive comments on the Annual Report and other issues raised by the Committee.

### 3.1 Compliance Issues

As documented below, the Annual Report complied with the Municipal Systems Act, Municipal Finance Management Act (MFMA) requirements, National Treasury guidance on the content of an annual report, as well as the *Customised Template and Guidelines for Annual Reports* provided by the Provincial Government.

#### 3.1.1 MFMA requirements included in the tabled Annual Report

- Headings and content recommended by Circular 11.
- Annual Financial Statements.
- Auditor-General’s Audit Report.
- Performance report – Performance statistics and narratives are included, as required.
- Report of the Audit Committee.
- Conditional grants and assessment of compliance.
- Allocations to other organisations.
- Total payments for audit fees, taxes, levies, duties, pension and medical aid contributions, and if any amounts are outstanding at year-end.
- Each bank account (name, type, balances).
- Summary of all investments.
- Information on backlogs.

- Material irregular, fruitless or wasteful expenditure and whether recoverable.
- Salaries, allowances and benefits for each political office-bearer and top management official.
- Arrears owed by each NMBMM Councillor.
- Comparative performance information – Actual performance compared to the 2008/09 performance objectives, as well as performance information of the previous year.
- Analysis of arrears.
- Auditor-General's report on Performance Management System.
- Entity reports, for each entity.

### **3.2 Matters of concern noted by the Oversight Committee**

#### **3.2.1 Non-implementation of 2007/08 Oversight Committee recommendations approved by Council**

The Committee noted with concern that the following Council resolutions based on recommendations by the Oversight Committee for the 2007/08 financial year were not implemented.

##### *3.2.1.1 Public Health (waste management)*

Failure to develop and implement an integrated strategy and programme to deal with illegal dumping (both domestic waste and builders' rubble).

##### *3.2.1.2 Local economic development – co-operatives*

Failure to undertake a comprehensive audit on the performance of co-operatives assisted by the Municipality and to develop a framework for supporting co-operatives.

### 3.2.1.3 *Sports development*

Failure to develop and implement a clear strategy on sports development and the maintenance of sports facilities.

### 3.2.1.4 *Ward Committees and public participation*

Failure to undertake a review of the performance and functionality of Ward Committees and to develop an amended model/framework and terms of reference to improve their functionality.

## **3.2.2 Matters of concern in respect of 2008/09 financial year**

The Committee also noted with concern the following issues in respect of the 2008/09 financial year:

- (a) Lack of adequate and integrated communication.
- (b) Poor planning around public participation processes.
- (c) Non-attendance of Oversight Committee meetings by certain Executive Directors.
- (d) Non-payment by Government departments.
- (e) Non-adherence to the Supply Chain Management Policy in certain instances.
- (f) Failure to assess the annual performance of Section 57 employees.
- (g) Failure in hosting major events.
- (h) Shortage of staff in Internal Audit Sub-directorate.
- (i) Long recruitment processes and turnaround times for filling vacancies.
- (j) People remaining on the housing waiting list for long periods.
- (k) Corruption and abuse of housing delivery system.
- (l) Failure to deal with issue of title deeds.
- (m) Delay in the provision of social housing.
- (n) Lack of maintenance of public open spaces.
- (o) Inadequate enforcement of by-laws.
- (p) Lack of value for money in respect of grant funding to NMBT.

- (q) Inadequate management of overtime.
- (r) Non-compliance with legislation in certain instances.
- (s) Poor traffic fines collection rate.

### **3.2.3 KPIs and targets identified for amendment**

- (a) Unemployment rate should be reflected as a range of between 35% and 40%.
- (b) Lack of inclusivity regarding peri-urban areas, specifically in the KPIs dealing with water and refuse removal in respect of which the actuals are reflected as 100%.
- (c) Legislative compliance should not be stated as 100%.
- (d) Additional challenges that are affecting the institution negatively need to be listed.
- (e) Areas where targets were not met should be reflected as such – not simply as “in progress”.
- (f) Proper quantification of the progress made with regard to the upgrading of cemeteries.
- (g) An indicator of new major events held should be included in the new IDP.
- (h) No KPI on law enforcement by Traffic Officers according to national norms.

### **3.2.4 Issues for 2008/09 financial year raised by Oversight Committee**

- (a) The Committee resolved that all scheduled oversight committee meetings take place to ensure the ongoing monitoring of its decisions.
- (b) The Committee resolved that Oversight Committee agendas and minutes be circulated to all Councillors when the Annual Report is being considered.
- (c) The Committee resolved that all Executive Directors must henceforth attend all Annual Report Oversight Committee meetings.

- (d) The Committee resolved that the Municipal Manager / Acting Municipal Manager be advised that all reports to the Oversight Committee be submitted in writing, before the agenda deadline.
- (e) The Committee recommends that an investigation into the possible expansion of its powers be undertaken by the Legal Services Sub-directorate and the Municipal Manager / Acting Municipal Manager.
- (f) The Committee recommends that Portfolio Councillors, although excluded from the Oversight Committee, take a leading role and accept responsibility for the implementation of the recommendations of the Oversight Committee.
- (g) The Committee recommends that the Municipal Manager / Acting Municipal Manager investigate the capacity problems being experienced in the directorates, particularly within the Economic Development and Recreational Services Directorate, Public Health Directorate and Corporate Services Directorate, particularly in respect of the Constituency Services Sub-Directorate, and implement remedial action.
- (h) The Committee recommends that the Municipal Manager / Acting Municipal Manager develop mechanisms to ensure that the response rate of the administration to queries by members of the public and Councillors is improved.
- (i) The Committee recommends that a report on the work of the Heritage Task Team appointed by the Executive Mayor be submitted to Council by end of April 2010.

### **3.2.5 Recommendations on KPA Achievement Report**

#### **3.2.5.1 Institutional Transformation and Organisational Development**

##### **3.2.5.1.1 Performance Management**

The Committee recommends that the Municipal Manager / Acting Municipal Manager ensure that outstanding annual performance assessments of Section 57 employees are completed by June 2010.

### **3.2.5.2 Basic Service Delivery and Infrastructure Development**

#### 3.2.5.2.1 Public Health

- (a) The Committee recommends that the Municipal Manager / Acting Municipal Manager and the Executive Director: Public Health develop and implement an integrated strategy for illegal dumping, both on municipal and private land, and that progress be reported quarterly to the Standing Committee of Public Health.
- (b) The Committee recommends that the Municipal Manager / Acting Municipal Manager and the Executive Director: Public Health ensure that the relevant by-laws on stray animals be enforced and progress monitored and reported on to the Standing Committee quarterly.
- (c) The Committee recommends that the disposal of medical and veterinary waste be investigated, monitored and reported on quarterly to the Standing Committee.

#### 3.2.5.2.2 Infrastructure and Engineering

- (a) The Committee recommends that the Executive Director: Infrastructure and Engineering submit a comprehensive report regarding its chemical analysis of the water to the Infrastructure, Engineering, Electricity and Energy and Public Health Standing Committees.
- (b) The Committee recommends that the issues around unaccounted for water, which were also reflected in the report of the Auditor-General, be addressed as well as the Demand Management Unit be established.

- (c) The Committee recommends that, in order to improve and maintain municipal infrastructure, the database of infrastructure backlogs, supported by management systems for both operational and capital, be periodically updated and used to guide budget allocations to repairs and maintenance.

#### 3.2.5.2.3 Electricity and Energy

The Committee recommends that Electricity and Energy quantify the financial loss being suffered by the Municipality due to illegal electricity connections, determine the extent of the problem and the risk exposure, develop and implement a programme to address this problem, and report progress quarterly to the Standing Committee and Mayoral Committee.

#### 3.2.5.2.4 Human Settlements

- (a) The Committee recommends that a report on land disposal trends in the Metro and an integrated strategy to ensure access to land by the previously disadvantaged be developed jointly by the Executive Directors of Economic Development and Recreational Services and Human Settlements by the end of June 2010, and that the report be submitted to the relevant Standing Committees and Council.
- (b) The Committee recommends that a progress report and a plan of action to deal with the failure to issue title deeds be developed and submitted to the relevant Standing Committee and Council by end of June 2010.
- (c) The Committee recommends that the Municipal Manager / Acting Municipal Manager and the Executive Director: Housing and Land report on the extent of corruption in the housing delivery process, including what is being done currently and progress made with the solving of housing related disputes by June 2010.

#### 5.2.5.2.5 Safety and Security

The Committee recommends that the Municipal Manager / Acting Municipal Manager and the Executive Director: Safety and Security ensure that Traffic Officers work according to the national norms and report quarterly to the Standing Committee and Mayoral Committee on progress in this regard.

### **3.2.5.3 Local Economic Development**

#### 3.2.5.3.1 Economic Development and Recreational Services

- (a) The Committee recommends that the Executive Director: Economic Development and Recreational Services ensure that the budget is being implemented and that the maintenance of sport facilities is prioritised.
- (b) The Committee recommends that the conversion of the Mendi Bottle Store to an Arts and Culture Centre not be delayed and that a business plan and report be submitted to the Standing Committee, Mayoral Committee and the Council.
- (c) The Committee recommends that the audit report in respect of the performance and functionality of cooperatives, including remedial measures and implementation with timeframes, be submitted to the relevant Standing Committee, Mayoral Committee and the Council by end of June 2010.
- (d) The Committee recommends that an Events Policy be developed and implemented and that adequate capacity to deal with events management be sourced.

- (e) The Committee also recommends that a report on failed events and progress with regard to the recovery of municipal funds be submitted by the Executive Director: Economic Development and Recreational Services to Council by end of June 2010.
- (f) The Committee recommends that the Municipal Manager / Acting Municipal Manager write a letter to the Gambling Board requesting that the Boardwalk Casino be asked to comply with the conditions under which it was granted a licence, including the development of an International Convention Centre, and that progress in this regard be reported to the Standing Committee and Council by June 2010.
- (g) The Committee recommends that all reports, including the report by Legal Services, on various matters relating to Economic Development and Recreational Services covering leases and failed events be submitted to the relevant Standing Committee and Council.
- (h) The Committee recommends that the Municipal Manager / Acting Municipal Manager ensure that the contract management framework of the institution is improved.

#### **3.2.5.4 Financial sustainability and viability**

##### 3.2.5.4.1 Budget and Treasury

- (a) The Committee recommends that a report on the expenditure patterns of the Municipal Infrastructure Grant be submitted to the Oversight Committee and Council, in the light of the poor expenditure recorded, especially by MURP and the Economic Development and Recreational Services Directorate.
- (b) The Committee recommends that the Chief Financial Officer submit a report to the Oversight Committee, Budget and Treasury Standing Committee and the Mayoral Committee on the expenditure patterns of conditional grants.

- (c) The Committee recommends that the Provincial and National Government be engaged in the issue of funding for Coega bulk water supply.
- (d) The Committee recommends (in view of the growing number of challenges to key decisions taken in the Supply Chain Management Process) that the Municipal Manager / Acting Municipal Manager must consider invoking the provisions of Section 26(1)(c) of the Supply Chain Regulations read with Section 26(3) of the Supply Chain Management Policy regarding the appointment of an impartial or independent observer and the oversight process thereof.
- (e) The Committee recommends the review of the Supply Chain Management Policy, processes and structures to ensure their legitimacy, credibility and legal compliance.
- (f) The Committee recommends that the Municipal Manager / Acting Municipal Manager address the inadequate internal controls in place, which leads to fruitless, irregular, wasteful expenditure, corruption and risk exposure and report on progress in this regard to the Mayoral Committee by June 2010.
- (g) The Committee recommends that intervention strategies with regard to traffic fines collections be developed and implemented and that progress in that regard be reported upon to the Standing Committee and Mayoral Committee quarterly by the Executive Director: Safety and Security.

### **3.2.5.5 Good Governance and Public Participation**

#### **3.2.5.5.1 Corporate Services**

- (a) The Committee recommends that a progress report on the proposed new Council Chambers be submitted to Council by end of May 2010 with financial implications and MFMA compliance issues.
- (b) The Committee recommends that secretariat services be made available when the Oversight Committee conducts public participation meetings with the community and that minutes be circulated within 14 days.
- (c) The Committee noted with concern that it could not deal with the minutes of the public participation meetings as these had not been submitted to it and recommends that the relevant minutes be considered by the next Oversight Committee meeting.
- (d) The Committee recommends that a report on the declaration of business interests by Officials be developed by the Municipal Manager / Acting Municipal Manager and submitted to Council by end of June 2010. The report should include the legal requirements and a list of officials involved.
- (e) The Committee recommends that the Executive Director: Corporate Services submit a report on unauthorised leave to the Oversight Committee by June 2010.
- (f) The Committee recommends that the Municipal Manager / Acting Municipal Manager should ensure that the administration is utilising public private partnerships when providing services.

### **3.2.5.5.2 Constituency Services**

- (a) The Committee recommends:
  - (i) that public participation be well planned, budgeted and implemented;
  - (ii) that timeous notices be given of public participation meetings;
  - (iii) proper minute taking, processing of the issues by the administration and feedback to the communities on how the issues raised by them have been addressed;
  - (iv) That the issue of fruitless expenditure caused by the publication, cancellation, and republication of public participation meetings be addressed and that a progress report in this regard be compiled and submitted to the next Oversight Committee meeting.
- (b) The Committee recommends that the venues chosen for public participation meetings be as close as possible to the relevant communities so as to promote maximum participation and access.
- (c) The Committee recommends that a special sector mainstreaming plan focusing on youth, women and people with disabilities be developed and implemented by June 2010 and be included in the IDP, Budget and SDBIP.

### **3.2.5.5.3 Internal Audit**

- (a) The Committee recommends that the inclusion in the next SDBIP of a numerical target for the reduction of all cases being investigated be considered.
- (b) The Committee recommends that the Internal Audit Services Sub-directorate submit progress reports twice a year on all cases of alleged fraudulent activities being investigated to the Oversight Committee.

- (c) The Committee recommends that the Municipal Manager / Acting Municipal Manager provide additional capacity to the Internal Audit Sub-directorate so as to prevent it to over-rely on external capacity.
- (d) The Committee recommends that the administration should prioritise risk management.
- (e) The Committee recommends that the Audit Committee submit a report to Council at least twice a year.
- (f) The Committee recommends that the Audit Committee attend future meetings of the Oversight Committee.

#### **3.2.5.5.4 Office of the Speaker**

The Committee noted with concern the failure of the Councillor Support System in the institution and recommends that a proper model be finalised, budgeted for and implemented, with proper timeframes by the Corporate Services Directorate and the Office of the Speaker by June 2010.

#### **3.2.5.5.5 Communications**

The Committee recommends that a comprehensive Communications Strategy and Plan focusing on service delivery issues be developed and submitted to Council by end of June 2010.

#### **3.2.5.5.6 Intergovernmental challenges**

- (a) The Committee recommends that an integrated approach between the three spheres of government be enhanced to improve service delivery.

- (b) The Committee recommends that regular progress reports on interventions made with regard to intergovernmental challenges, e.g. unfunded mandates, non-payment by Government departments, housing, public health, libraries, provincial roads funding, etc. be submitted to the Oversight Committee and Council.

#### **4. COUNCIL RESOLUTIONS**

4.1 Council, having fully considered the NMBMM's 2008/09 Annual Report, resolves that:

- the Oversight Report be adopted;
- the Annual Report be approved with reservations, comments and recommendations as included in the Oversight Report;
- the recommendations of the Oversight Committee reflected in Sections 3.2.1 to 3.2.5 be adopted and that the implementation progress be reported on.

4.2 Council, having fully considered the various entities' annual reports included in the NMBMM's 2008/09 Annual Report, resolves that:

- the MBDA Annual Report be approved without reservations;
- the Centenary Hall Promotions Annual Report be approved with reservations due to inadequate controls and financial management and the audit findings by the Office of the Auditor-General;
- the Feathermarket Promotions Annual Report be approved with reservations due to inadequate controls and audit findings by the Office of the Auditor-General.

## **ANNEXURES**

### **ANNEXURE "A" : MINUTES OF EACH OVERSIGHT COMMITTEE MEETING**

#### **MINUTES OF PROCEEDINGS OF ANNUAL REPORT OVERSIGHT COMMITTEE**

**(Meeting held on 18 January 2010)**

**PRESENT:** Councillor B C Williams (Chairperson)  
Councillor N R Captain  
Councillor L J de Villiers  
Councillor E Johnson  
Councillor N S Magopeni  
Councillor M D Seti  
Councillor E C Trent  
Councillor R V Williams

**ALSO PRESENT:** Councillor J S G Davis  
Councillor N du Plessis  
Councillor T Herbst  
Councillor H Muller  
Councillor R Odendaal

Chief Operating Officer (Dr I Tsatsire)  
Executive Director : Corporate Services (Mr R Nolutshungu)  
Chief Financial Officer (Mr K Jacoby)  
Executive Director: Economic Development and Recreational Services (Mr Z Siswana)  
Director : Water and Sanitation (Mr B Martin)  
Acting Executive Director : Electricity (Mr R Harris)  
Director : Occupational Health, Safety and Wellness (Mr A Tolom)  
Director : Policy, Strategy and Research (Ms L Nkanjeni)  
Director : Fire and Emergency Services (Mr A De Ridder)  
Senior Committee Secretary (Mr C B C Coetzee)  
Senior Committee Secretary (Ms M Cloete)

**ABSENT:** Councillor P B Lonake  
Councillor Z J Seale

**APOLOGY:** Councillor M Odayar

#### **APPLICATIONS FOR LEAVE OF ABSENCE/APOLOGIES**

An apology for the non-attendance of this meeting of the Committee has been received from Councillor M Odayar.

#### **DISCLOSURE OF INTERESTS BY COUNCILLORS AND OFFICIALS**

No disclosures were made.

The Chairperson welcomed those present. Whilst expressing concern over the absence of most of the Executive Directors, she explained that the purpose of the meeting was to assess as to what extent officials had followed up and implemented the recommendations of the Committee as well as Council resolutions linked to the performance of the various directorates. The Executive Director: Economic Development and Recreational Services, Mr Siswana, requested that he be recused once the Committee had considered the issues related to his Directorate in the Report, as he was not feeling well. Similarly, the Chief Financial Officer requested to be recused for half an hour in order to attend the Prelim of the Budget and Treasury Committee.

The performance of the various 2007/08 Directorates was discussed *ad seriatim*, as reflected in the Annual Report, and the following concerns were raised:

### **3.2.1.1 Waste Management**

Concern was expressed at the fact that no specific policy/practice was in place to cover the dumping of waste, in particular medical and veterinary waste, throughout Nelson Mandela Bay. This practice was polluting the water in Nelson Mandela Bay. It was felt that the dumping of waste and domestic refuse next to the Traffic Department and the N2 needed to be addressed. The Public Health Directorate's representative, Mr Andile Tolom stated that the management of medical and veterinary waste was the responsibility of the Provincial Administration and that the issue was currently receiving attention.

### **3.2.1.2 Public Health**

The Public Health representative, Mr Andile Tolom, reported that detailed reports on the availability of medical doctors at clinics had been completed and that a review on increased hours had been completed and implemented.

The following concerns were raised in respect of the above:

- Details of the chemical analysis of the water had not been made available to Councillors and the public.
- Water treatment measures applied in Uitenhage, as the chloride levels were unacceptably high.

The Director: Water stated that the results of the detailed water analysis were being withheld, as the public would not understand it and it might raise panic, as water always had a certain amount of bacterial content and other elements. However, a detailed analysis was available, which had been audited and found acceptable by Province as it complied with national compliance regulations.

### **3.2.1.3 Local Economic Development – Cooperatives**

The Executive Director: Economic Development and Recreational Services reported that a feasibility study in respect of the Cooperative Development Centre had been completed and that a report in this regard would be submitted to the next Economic Development, Tourism and Agriculture Portfolio Committee meeting. He stated that a comprehensive report on the Cooperative Indaba had been submitted to the Committee, as well as the business plan and Cooperative Development Centre. He further reported that cooperatives were being established in all Directorates in the Municipality. It was noted that an audit of all cooperatives had been completed.

The following concerns in respect of the above were expressed:

- The timeframes to submit the aforementioned reports were insufficient and should have been reported.
- The audit report in respect of cooperatives and the remedial methods to be taken should have been submitted to this Committee as proof.
- Proof was required regarding the progress made on the implementation of the aforementioned issues.
- An audit was needed to highlight the challenges with regard to the functioning of cooperatives.

#### **3.2.1.4 Local Economic Development: Broad-based Economic Empowerment**

The Chief Financial Officer elaborated on his written report, attached as **Annexure "A"**, reporting that all targets for 2008/09 were achieved, except in respect of the percentage of tenders allocated to the youth. He stated that the amended Supply Chain Policy was approved on 26 March 2009. It was reported that a Help Desk had been established in Harrower Road. Links were also established with PERCCI in order to assist BEE.

The following concerns were raised in respect of the above:

- The ability of BEE tenderers to deliver once they have been awarded a tender; in the recent past, some contracts had to be re-awarded more than once, due to the lack of experience and competence of tenderers.
- Successful BEE tenderers often lack the technical ability to do the work, but are still awarded the tender.

The Chief Financial Officer elaborated on the Tender Policy in terms of the relevant Act, stating that the targets for awarding tenders to the youth and the disabled were respectively 10% and 2%.

#### **3.2.1.5 Sports Development**

The Executive Director: Economic Development and Recreational Services reported that a Sports Development Strategy had been submitted to the relevant Committee. A Sports Council had been established in order to consider a sports strategy. He stated that consultants had been appointed to develop a comprehensive strategy for the maintenance of sports facilities.

The following concerns in respect of the above were raised:

- The current neglected state of some sports facilities, such as the Wolfson Stadium and Môrewag School leaves much to be desired.
- Some sports facilities had been on the programme for as long as eight years without a budget being provided; a comprehensive report in this regard need to be submitted to the relevant Committee.
- The appointment of consultants to formulate sport development and maintenance strategies, which responsibility resided with the relevant officials.

- The lack of a written report to this Committee regarding the progress made.
- The fact that the sports development and maintenance policies and strategies were not in place for implementation.

### **3.2.1.6 Arts, Culture and Heritage**

The Executive Director: Economic Development and Recreational Services stated that additional capacity was needed to sustain the programmes and that the key challenge was to implement programmes that would work and provide an appropriate budget. The responsibility for arts and culture resided with the Provincial Administration, but the Council needed to allocate a portion of its budget thereto, even through it was not a municipal competency.

On enquiry, the Executive Director: Economic Development and Recreational Services reported that some progress had been made with the conversion of the Mendi Bottle Store into an Arts Centre. The Municipality was currently in negotiations with the Provincial Government, and the project had been costed. The bulk of the funding would have to be carried by the Municipality; however, the Provincial Government would assist with the operating and maintenance thereof. The Council would have to continue financially supporting BEEs in respect of the promotion of events.

On enquiry, it was stated that there was a legal opinion on the Council's obligation in respect of heritage; however, the Council could be taken to court if it was made public.

The following concerns in respect of the above were expressed:

- The lack of progress with the implementation and sustainability of programmes, which reflected negatively on the competence of the officials as well as the capacity of the Directorate.
- It was essential to establish a way forward in order to preserve the heritage of the city, which was in a state of neglect.
- The Mendi Bottle Store project may be delayed because of the lack of funding.

### **3.2.1.7 Public Participation during the Annual Report Oversight process**

The COO reported that the first part of the recommendation had been addressed, and that the second part eluded to future public participation processes and how these would be addressed.

The following concerns were raised with regard to the above:

- For this process to succeed, all Councillors (Ward and PR) should be involved.
- All Councillors must receive agendas.
- Sufficient notice of proposed meetings should be given to Councillors.
- Minutes/Feedback on issues raised at the previous Public Participation meeting must be provided.
- Attendance of these meetings were very poor and strategies should be developed to ensure that more people attend such meetings.

### **3.2.1.8 Ward Committees and public participation**

The Executive Director: Corporate Services reported that the desktop exercise on the performance of Ward Committees and their functionality had never been tabled to the Council. Certain gaps had, however, been identified, inter alia, in the administrative and political areas.

Concern was expressed about the fact that although Ward Committees were legislated, they were not functioning at present.

### **3.2.1.9 Uitenhage and Despatch**

Concern was expressed about the appalling state of some Uitenhage/Rosedale areas.

Stray animals that roamed in the streets and caused accidents were also identified as an area of concern.

## **CONCLUSION**

The Committee observed the following points during its term of office, which may assist the next Committee:

- It was noted that some of the scheduled meetings of this Committee never materialised. It was emphasised that scheduled meetings of the Oversight Committee must take place.
- All Councillors were allowed to attend a meeting at which the Annual Report was being considered. However, when recommendations or discussions on the way forward were being considered, only Committee members were allowed to be present.
- Concern was expressed about the non-implementation of Oversight Committee recommendations by the Executive Directors, especially the Economic Development and Recreational Services Directorate and Corporate Services Directorate (Constituency Services). In many instances, Executive Directors failed to attend meetings, or sent representatives who could not report satisfactorily on questions asked. It was also felt that too many verbal reports were received and it was suggested that reports should be submitted in writing, including the dates on which the reports were submitted to the relevant Standing Committee.
- It was agreed that the constitution of a body with more executive powers, e.g. SCOPA, be investigated, in line with the relevant legislation. It was felt that the Oversight Committee currently only dealt with issues raised in the Annual Report and the establishment of a body with more authority would be able to also deal with other issues.
- The Committee agreed that those Executive Directors that regularly attended Committee meetings and submitted written reports, i.e. the Chief Operating Officer and the Chief Financial Officer, should be appreciated.

## **RESOLVED TO RECOMMEND:**

- (a) That all scheduled Oversight Committee meetings take place, to ensure the ongoing monitoring of the implementation of its decisions.

- (b) That Oversight Committee agendas be circulated to all Councillors when the Annual Report was being considered, it being noted that when recommendations and discussions on the way forward were being considered, only Committee members be allowed to be present.
- (c) That the poor attendance of Oversight Committee meetings and the non-implementation of Oversight Committee recommendations by Executive Directors be brought to the attention of the Acting Municipal Manager.
- (d) That in future all Executive Directors must attend Annual Report Oversight Committee meetings.
- (e) That the Acting Municipal Manager be advised that all reports to the Oversight Committee be submitted in writing, reflecting the dates of the progress reports submitted to the relevant Standing Committees.
- (f) That the constitution of a body with more executive powers, e.g. SCOPA, be investigated, in line with the relevant legislation.
- (g) That the legal opinion on the obligation of parties on heritage be submitted to the Council by not later than the end of March 2010.
- (h) That the Acting Municipal Manager investigate the capacity problems being experienced in the directorates, particularly within the Economic Development and Recreational Services Directorate and Corporate Services Directorate, particularly in respect of the Constituency Services Sub-Directorate, and submit a report to the Council by not later than the end of March 2010.
- (i) That Portfolio Councillors, although excluded from the Oversight Committee, take a leading role and accept responsibility for the implementation of the recommendations of the Oversight Committee.
- (j) That the illegal dumping strategy be budgeted for and implemented and that an on-site inspection be undertaken of problem areas, e.g. the dumping site next to the Sidwell Traffic Department and the N2 and that the situation be monitored and resolved.
- (k) That the disposal of medical and veterinary waste be investigated and reported on.
- (l) That the Executive Director: Infrastructure and Engineering, submit a comprehensive report on its chemical analysis of water to the relevant Committee.
- (m) That the audit report on the performance and functionality of cooperatives, including remedial measures and implementation with timeframes, be submitted to the relevant Standing Committee, Mayoral Committee and the Council by the end of March 2010.
- (n) That sport facilities be prioritised and budgeted for.
- (o) That the conversion of the Mendi Bottle Store into an Arts and Culture Centre not be delayed and that a business plan and report in this regard be submitted to the Standing Committee, Mayoral Committee and the Council.
- (p) That timeous notice be given of public participation meetings, including the meetings conducted by the Oversight Committee with the community.

- (q) That a report on land disposal trends and strategy, to ensure that the previously disadvantaged can access land, be submitted jointly by the Executive Directors of Economic Development and Recreational Services and Human Settlements by the end of April 2010.
- (r) That Secretariat services be made available when the Oversight Committee conducts public participation meetings with the community.

The meeting terminated at 14:30.

**CHAIRPERSON**

## **MINUTES OF PROCEEDINGS OF ANNUAL REPORT OVERSIGHT COMMITTEE**

**(Meeting held on 1 February 2010)**

**PRESENT:** Councillor B C Williams (Acting Chairperson)

Councillor N R Captain  
 Councillor P B Lonake  
 Councillor N S Magopeni  
 Councillor M Odayar  
 Councillor Z J Seale  
 Councillor E C Trent  
 Councillor R V Williams

**ALSO PRESENT:** Councillor M J De Andrade

Chief Operating Officer (Dr I Tsatsire)  
 Chief Financial Officer (Mr K Jacoby)  
 Executive Director: Economic Development and Recreational Services  
 (Mr Z Siswana)  
 Director: Policy, Strategy and Research (Ms LC Nkanjeni)  
 Director: Office of the Speaker (Mr N Mqulwana)  
 Assistant Director: Infrastructure and Engineering Management Services  
 (Mr B Mortimer)  
 Senior Committee Secretary (Mr T Ferreira)

**ABSENT:** Speaker (Apology – Out of town on Council business)  
 Councillor M D Seti (Apology – Family emergency)

(Leave of absence in respect of Councillor L J De Villiers was noted.)

### **OPENING AND WELCOME**

Councillor B C Williams welcomed those present to the meeting, and explained that the Speaker had requested her to chair this meeting on her behalf.

### **APPLICATIONS FOR LEAVE OF ABSENCE / APOLOGIES**

Councillor B C Williams reported that an apology for the non-attendance of this meeting of the Oversight Committee had been received from the Speaker, who was out of town on Council business. An apology had also been received from Councillor M D Seti who had to attend to a family emergency. Councillor R V Williams stated that Councillor T Herbst had submitted an apology for the non-attendance of this meeting of the Oversight Committee, and the Acting Chairperson indicated that applications for leave of absence / apologies from members of the Committee only should be dealt with under this section of the Agenda.

It was reported that apologies for the non-attendance had been received from the Auditor-General's representatives and from the Acting Executive Director: Corporate Services, Ms T Nompandana, who had to attend an induction programme.

It was pointed out that the Committee was unable to discuss the 2008/09 Annual Report as the Acting Municipal Manager was not present as required per the Local Government: Municipal Finance Management Act, Act 56 of 2003. The point was made that officials should prioritise the Oversight Committee's meetings, and it was agreed that the Office of the Speaker should request the Executive Mayor to issue an instruction to the Acting Municipal Manager and Executive Directors to attend all the meetings of the Oversight Committee.

**RESOLVED:**

That the Office of the Speaker request the Executive Mayor to issue an instruction to the Acting Municipal Manager and Executive Directors to attend all the meetings of the Oversight Committee.

**REPORT BY EXECUTIVE DIRECTOR: CORPORATE SERVICES**

**1. 2008/09 ANNUAL REPORT : MEETINGS OF OVERSIGHT COMMITTEE (3/2/9/1)**

**NOTED**

**2. 2008/09 ANNUAL REPORT (3/2/9/1)**

(This item was considered in conjunction with Item 5 of the Executive Director: Corporate Services' Report.)

The Acting Chairperson indicated that it was not the intention to discuss the contents of Annual Report at this meeting of the Committee, but rather to agree on a process to be followed by the Committee in the first instance when considering the Annual Report. It was agreed that, as in the past, the Annual Report should be considered section by section.

The Acting Chairperson indicated that political parties should identify those matters relevant to the Auditor-General's Report that they wish to raise with the Auditor-General. Councillor E C Trent stated that members should not be restricted to matters contained in the Auditor-General's Report and should be allowed to ask questions to the Auditor-General pertaining to other matters that may arise during the deliberations of the Committee.

The point was also made that the Management Letters (responses) in respect of the Auditor-General's report should be made available to all Councillors, and it was requested that these should be made available to the Office of the Speaker and the Whips of political parties by not later than Thursday, 4 February 2010.

**NOTED AND RESOLVED:**

That a copy of the Management Letters in response to the Auditor-General's Report be submitted by the Chief Operating Officer to the Whips of each political party and the Office of the Speaker by not later than 4 February 2010.

(Item 6 of the Executive Director: Corporate Services' Report was considered at this stage.)

**3. EVALUATION OF PROGRESS MADE WITH IMPLEMENTATION OF THE OVERSIGHT COMMITTEE'S RECOMMENDATIONS IN RESPECT OF 2007/08 ANNUAL REPORT (3/2/9/1)**

The Acting Chairperson referred to a report entitled "*Annual Report Oversight Committee meeting held on 18 January 2010*", as circulated to all Councillors under cover of Circular No. 3/2010 dated 22 January 2010, and pointed out that the Council on 25 January 2010 considered this report and addressed the issue of the implementation of the Oversight Committee's recommendations, and that there was therefore no need to further discuss the matter.

Councillor E C Trent stated that the issue of illegal dumping should be addressed by the Oversight Committee and that the Public Health Directorate should submit a report on how this problem was being addressed to the Committee's next meeting. The Acting Chairperson pointed out that the Council had on 8 December 2009 adopted a strategy on how to deal with illegal dumping and that the Public Health Directorate should now report in writing on the progress made with the implementation of the Council's strategy, as well as how the Municipality would address those areas where illegal dumping was a critical problem.

**RESOLVED:**

That the Public Health Directorate submit a report in writing on the progress made with the implementation of the strategy to address illegal dumping, as adopted by the Council on 8 December 2009, to the Oversight Committee's next meeting.

**4. AUDITOR-GENERAL'S REPORT FOR 2008/09 (5/20/2/6/1)**

The Acting Chairperson indicated that the matter would be dealt with as part of the oversight process during the Committee's forthcoming meetings.

**NOTED**

**5. IDENTIFICATION OF ISSUES TO BE RAISED WITH AUDITOR-GENERAL (3/2/9/3)**

(This item was considered in conjunction with Item 2 of the Executive Director: Corporate Services' Report and the proceedings are recorded under Minute No. 2 above.)

**6. 2008/09 ANNUAL REPORT: PUBLIC PARTICIPATION PROCESS (3/2/9/1)**

(This item was considered immediately after Item 2 of the Executive Director: Corporate Services' Report.)

A draft schedule reflecting the public participation process to be followed in respect of the 2008/09 Annual Report that was tabled at the meeting is attached as **Annexure "A"** to these Minutes.

The issue of a separate briefing session for Councillors was raised, and the point was made that such a session would not be necessary as all Councillors received the Oversight Committee's Agendas and Minutes, and that all Councillors could attend the Committee's meetings. Councillor M Odayar queried the desirability of not having such a session for Councillors and the latter's participation as the Committee's meetings could become very cumbersome.

Councillors M J De Andrade and R V Williams indicated that all Councillors should be allowed to give their input and Councillor Trent pointed out that, in terms of National Treasury Circular No. 32, all Councillors were encouraged to participate in the oversight process and that the Chairperson should control the participation by Councillors.

The Acting Chairperson explained that the Oversight Committee was a multi-party Committee and that its members represented the various political caucuses in Council and that Councillors should therefore submit their input to the Oversight Committee via their party representatives serving on the Committee. She indicated that the participation by other Councillors would be at the discretion of the Chairperson. It was suggested and agreed that all Councillors should be advised to attend the Oversight Committee's meetings as they could be required to answer questions from the public during the public participation meetings.

With reference to the draft public participation programme (**Annexure "A"**), Councillor Z J Seale pointed out that some of the venues needed to be reconsidered in order to accommodate certain Ward Councillors, and the Acting Chairperson indicated that a separate session in respect of Despatch should be arranged. It was suggested that the draft programme be amended and advertised by the Chief Operating Officer to accommodate the following changes:

<b>STAKEHOLDERS</b>	<b>DATE</b>	<b>VENUE</b>	<b>TIME</b>
Wards 1, 2, 4 and 5	Tuesday, 16 February	Reception Room, City Hall	18:00
Wards 3, 6 and 7	TBA	Newton Park Library	18:00
Wards 8, 9, 39 and 40	Thursday, 18 February	Linton Grange Library	18:00
Wards 14, 15, 16, 17, 18, 19, 20, 21, 22 and 24	TBA	Nangoza Jebe Hall	18:00
Wards 23, 53 and 56	TBA	NU2 Community Hall	18:00
Wards 25, 26, 27, 28, 29 and 30	Monday, 22 February	Zwide	18:00
Wards 31, 33, 36 and 37	TBA	KwaDwesi	18:00
Wards 32, 34 and 35	TBA	TBA	18:00
Wards 38 and 41	TBA	TBA	18:00
Wards 54, 55 and 58	TBA	NU30 Community Hall	18:00
Wards 57, 59 and 60	TBA	Ray Mhlaba Indoor Sports Centre	18:00
Despatch	TBA	Khayamnandi Indoor Sports Centre	18:00
Rosedale and Kabah	TBA	Allanridge Community Hall	18:00

The Acting Chairperson pointed out that the additional public participation meetings would increase the workload of both the Oversight Committee's members and officials.

**RESOLVED:**

- (a) That the draft public participation programme attached as **Annexure "A"** to these Minutes be reviewed by the Chief Operating Officer with a view to accommodating the Oversight Committee's input made in the preamble above.
- (b) That all Councillors be advised to attend the Oversight Committee's meetings, as they could be required to answer questions from the public during the public participation meetings.

The meeting terminated at 10:15.

**ACTING CHAIRPERSON**

## **MINUTES OF PROCEEDINGS ANNUAL REPORT OVERSIGHT COMMITTEE**

**(Meeting held 9 February 2010)**

**PRESENT:** Councillor B C Williams (Acting Chairperson)

Speaker  
 Councillor N R Captain  
 Councillor L J de Villiers  
 Councillor P B Lonake  
 Councillor N S Magopeni  
 Councillor M Odayar  
 Councillor Z J Seale  
 Councillor M D Seti  
 Councillor E C Trent  
 Councillor R V Williams

**ALSO PRESENT:** Councillor M J de Andrade  
 Councillor M Bobani  
 Councillor T Herbst  
 Councillor V Mzaza  
 Auditor-General's Office (Mr C van Dyk)  
 Auditor-General's Office (Mr C Welch)  
 Ernest and Young Representative (Mr M Potgieter)

Acting Municipal Manager (Dr S W Vatala)  
 Chief Operating Officer (Dr I Tsatsire)  
 Chief Financial Officer (Mr K Jacoby)  
 Executive Director : Economic Development and Recreational Services  
 (Mr Z Siswana)  
 Acting Executive Director : Safety and Security (Mr H Totoyi)  
 Acting Executive Director : Electricity and Energy (Mr M Bukula)  
 Acting Executive Director : Corporate Services (Ms K Makalima)  
 Acting Executive Director : Public Health (Mr A Tolom)  
 Acting Executive Director : Infrastructure and Engineering  
 (Mr B Martin)  
 Director : Policy, Strategy and Research (Ms L C Nkanjeni)  
 Director : Office of the Speaker (Mr N Mqulwana)  
 Director : Internal Audit and Risk Management (Ms B Chan)  
 Director : Finance – 2010 (Mr M P Skade)  
 Director : Beaches (Mr T Knott)  
 Financial Officer – Housing and Land (Ms R Smit)  
 Committee Secretary (Mr D Arends)

### **OPENING AND WELCOME**

The Acting Chairperson, Councillor B C Williams, welcomed those present at the meeting and explained that the Speaker had requested her to chair this meeting on her behalf.

## **APPLICATIONS FOR LEAVE OF ABSENCE / APOLOGIES**

It was reported that apologies for the non-attendance of this meeting of the Oversight Committee had been received from the Acting Municipal Manager, Mr E Ntoba, who was out of town, and the Executive Director: Public Health, who was on leave.

## **REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES**

### **1. EVALUATION OF PROGRESS MADE WITH IMPLEMENTATION OF OVERSIGHT COMMITTEE'S RECOMMENDATIONS IN RESPECT OF 2007/08 ANNUAL REPORT (3/2/9/1)**

With regard to the Illegal Dumping Task Team, concern was expressed over the fact that no meetings had been convened to date, and it was emphasised that this matter needed to be addressed urgently by the Acting Municipal Manager. It was stated that the Portfolio Councillor for Public Health needed to drive this process and ensure that meetings of the aforementioned Task Team took place. It was requested that a progress report with regard to the aforementioned matter and the implementation of the Council's strategy in respect of illegal dumping be submitted to this Committee's next meeting.

The Committee expressed concern over the non-attendance by the Executive Director: Public Health of this meeting, as the issue of illegal dumping had been raised by the Oversight Committee since March 2009.

#### **RESOLVED:**

- (a) That the Acting Municipal Manager address the slow progress by the Illegal Dumping Task Team with regard to the implementation of Council's strategy to alleviate illegal dumping in the Metro.
- (b) That the Portfolio Councillor: Public Health drive the process of the Illegal Dumping Task Team and, if necessary, make recommendations to the Committee.
- (b) That the Executive Director: Public Health submit progress reports on the functioning of the Illegal Dumping Task Team and the implementation of the Council's strategy to address illegal dumping to the Committee's next meeting.

### **2. 2008/09 ANNUAL REPORT (3/2/9/1)**

(This item was considered in conjunction with the Auditor-General's report and the majority of the proceedings are recorded under Min. No. 3 hereunder.)

It was pointed out that the figures reflected on page 56, Item 18, were not correct as the percentage water losses incurred should have been stated in megalitres and not kilolitres, as reflected in the agenda.

Councillor E C Trent, on behalf of the Democratic Alliance, stated that this Committee had struggled to obtain the Management Reports for the previous two years and that it was appreciated that the said reports had been submitted this year.

## **NOTED**

### **3. AUDITOR-GENERAL'S REPORT FOR 2008/09 (5/20/2/6/1)**

(This item was considered in conjunction with the 2008/09 Annual Report.)

The Auditor-General's representative, Mr C Van Dyk, explained the differences between the Auditor-General's Report and the Management Report and indicated that the Auditor-General did not necessarily accept all aspects of a Management Report.

The Committee expressed concern over the non-attendance by the Executive Director: Housing and Land and stated that all directorates should submit written reports to be distributed with the agenda to this Committee in instances where no responses had been given to questions raised at previous meetings.

With regard to unauthorised, irregular, fruitless and wasteful expenditure as well as material losses through criminal conduct, it was stated that the Municipality had weak Risk Management Systems in place, which needed to be addressed as a matter of urgency.

In respect of the Management Report, Item 15 – Re-instatement of housing officials (page 52 of the agenda), it was stated that the response from Management was inadequate and that timeframes needed to be attached to the matter. Mr van Dyk responded that the matter could not be finalised since it was difficult to secure a meeting with the Municipal Manager. The Committee agreed that it would not make any recommendations in respect of the matter prior to conclusion of the investigation into the Municipal Manager. Councillor L J De Villiers, on behalf of the Democratic Alliance, objected to decisions that were contrary to the prescriptions of the Municipal Finance Management Act and suggested that the Acting Municipal Manager should investigate and submit a report to this Committee on the re-instatement of officials in the Housing and Land Directorate and that the Speaker should investigate and submit a report on any misconduct by Councillors in this regard to the Oversight Committee.

In respect of National and Provincial Government Accounts (page 218 of the Annual Report), it was stated that the Office of the Deputy Executive Mayor needed to submit a progress report on the interventions taken, deliberations, outcomes and way forward of the Intergovernmental Relations Task Team to the next meeting of this Committee. It was further agreed that the aforementioned report needed to be submitted on a continuous basis to this Committee.

With regard to going concerns (page 218 of the Annual Report), it was agreed that a progress report in respect of deregistration of Section 21 Companies be submitted to this Committee's next meeting. Enquires were made in respect of the mechanisms put in place to improve the management of the Section 21 companies, and it was explained that a formal report in respect of the matter in conjunction with the deregistration process would be submitted to this Committee.

In respect of Item 19 (page 220 of the Annual Report), it was agreed that a report in respect of the problems associated with leave not taken during leave cycles, leave exceeding maximum days allowed and unauthorised leave be submitted to this Committee's next meeting.

With regard to Items 22 to 24 (page 220 of the Annual Report), it was stated that there were inconsistencies in the tendering processes undertaken by the various directorates and that the Supply Chain Management process was prone to manipulation, which needed to be addressed. Councillor Odayar stated that he had forwarded a letter to the Acting Municipal Manager with questions regarding the Supply Chain Management process three months ago and that he was still awaiting a response. It was agreed that the Chief Financial Officer needed to investigate the possibility of centralising the Supply Chain Management process in order for the process to be better managed, and to report the findings to this Committee. It was further agreed that the Acting Municipal Manager should submit a response to the letter forwarded to him by Councillor Odayar to this Committee.

In respect of Item 28 (7) (page 221 of the Annual Report), it was stated that the Internal Audit and Risk Assurance Sub-directorate was understaffed and that this matter needed to be addressed as a matter of urgency, instead of resorting to outsourcing, which was costly. It was responded that the partnership with Ernest and Young had assisted the Sub-directorate and that vital skills would be transferred during the process. It was requested that a progress report on this matter be submitted to the Committee.

With regard to Items 33 to 36 (page 222 of Annual Report), it was agreed that detailed reports in respect of these matters needed to be submitted to this Committee's next meeting. It was stated that there was no consistency in the reporting of some of the investigations, which issue needed to be addressed and that this Committee should be made aware of all investigations that fall outside the sampling of the Auditor-General's Office.

In respect of Contingent Liabilities, it was stated that systems needed to be put in place to in order to expedite the conclusion of litigations against the Municipality. It was further stated that this Committee should formulate recommendations in order to expedite the conclusion of all outstanding litigations.

**RESOLVED:**

- (a) That all directorates submit written reports to be distributed with the agenda of the Committee in instances where no responses had been given to questions raised in previous meetings.
- (b) That the Office of the Deputy Executive Mayor submit a progress report in respect of the interventions taken, deliberations, outcomes and way forward of the Intergovernmental Relations Task Team to the next meeting of the Committee.
- (c) That the report in paragraph (b) above be submitted to this Committee on a continuous basis.
- (d) That a progress report in respect of the deregistration of Section 21 companies be submitted to the Committee's next meeting.
- (e) That the Executive Director : Corporate Services submit a report in respect of leave not taken during leave cycles, leave exceeding maximum days allowed, and unauthorised leave to the Committee's next meeting.

- (f) That the Chief Financial Officer investigate the possibility of centralising the Supply Chain Management process and submit recommendations in this regard to the Committee.
- (g) That the Acting Municipal Manager submit a formal response to the letter re the Supply Chain Management process forwarded to his office by Councillor Odayar to the Committee.
- (h) That detailed reports in respect of Items 33, 34, 35 and 36 of the Auditor-General's Report be submitted to the Committee's next meeting.
- (i) That the Oversight Committee be made aware of all investigations that fell outside the sampling of the Auditor-General's Office.

**4. 2008/09 ANNUAL REPORT : PUBLIC PARTICIPATION PROCESS (3/2/9/1)**

A draft public participation programme that was tabled at the meeting is attached as **Annexure "A"**.

It was agreed that the draft public participation programme be referred to the Office of the Speaker in order for the latter to interact with the Executive Mayor regarding the matter. It was stated that a simplified version of the Annual Report needed to be made available to the public in their languages of preference in order for the public participation process to become more effective.

**RESOLVED:**

That that the draft public participation programme be referred to the Office of the Speaker in order for the Speaker to interact with the Executive Mayor regarding the matter in the first instance.

The meeting terminated at 13:20.

**ACTING CHAIRPERSON**

## **MINUTES OF PROCEEDINGS ANNUAL REPORT OVERSIGHT COMMITTEE**

**(Meeting held 23 February 2010)**

**PRESENT:** Councillor B C Williams (Acting Chairperson)

Councillor N R Captain  
 Councillor L J de Villiers  
 Councillor P B Lonake  
 Councillor N S Magopeni  
 Councillor M Odayar  
 Councillor Z J Seale  
 Councillor M D Seti  
 Councillor E C Trent  
 Councillor R V Williams

**ALSO PRESENT:** Councillor M J De Andrade  
 Councillor T M Herbst  
 Auditor-General's Representative (Mr C van Dyk)

Acting Municipal Manager (Mr E Ntoba)  
 Chief Operating Officer (Dr I Tsatsire)  
 Chief Financial Officer (Mr K Jacoby)  
 Executive Director : Economic Development and Recreational Services  
 (Mr Z Siswana)  
 Executive Director : Corporate Services (Mr R Nolutshungu)  
 Executive Director : Public Health (Dr M Chabula)  
 Executive Director : Housing and Land (Mr S Maqetuka)  
 Acting Executive Director : 2010 (Mr M P Skade)  
 Acting Executive Director : Special Programmes Directorate (Mr A Bower)  
 Director : Occupational Health, Safety and Wellness (Mr A Tolom)  
 Director : Policy, Strategy and Research (Ms L C Nkanjeni)  
 Director : Office of the Speaker (Mr N Mqulwana)  
 Director : Internal Audit and Risk Management (Ms B Chan)  
 Assistant Director : Safety and Security (Mr J P Van Schalkwyk)  
 Assistant Director : Infrastructure and Engineering Management Services  
 (Mr B Mortimer)  
 Assistant Director : Legal Services (Mr M Tshamase)  
 Administrative Officer : Corporate Services (Ms J Makamandela)  
 Accountant : Electricity and Energy (Mr A Loxton)  
 Senior Committee Secretary (Mr T Ferreira)

### **OPENING AND WELCOME**

The Acting Chairperson, Councillor B C Williams, welcomed those present at the meeting and explained that the Speaker had requested her to chair this meeting on her behalf.

## APPLICATIONS FOR LEAVE OF ABSENCE / APOLOGIES

It was reported that an apology for the non-attendance of this meeting of the Oversight Committee had been received from the Speaker who had to attend to another Council commitment. It was also reported that apologies had been received from the Executive Director : Infrastructure and Engineering and the Acting Executive Director: Electricity and Energy, who were both attending a strategic planning session with their Portfolio Committee.

Councillor N S Magopeni indicated that she would leave the meeting early to attend a meeting of the Local Labour Forum. It was pointed out that the Executive Director: Corporate Services also had to attend that meeting.

## CONFIRMATION OF MINUTES

Councillor L J De Villiers referred to the proceedings under Minutes No. 1 on page 2 of the Committee's Minutes dated 9 February 2010 and pointed out that the Committee's decisions re the dumping of rubble adjacent to the Traffic Department's offices in Sidwell was not reflected in the minutes. It was agreed that the following should be included in the aforementioned minutes:

"That the causes of the illegal dumping at the site adjacent to the Traffic Department's offices in Sidwell be investigated by the Executive Director: Public Health in conjunction with the Safety and Security Services and Housing and Land Directorates and that a detailed report in this regard be submitted to the Annual Report Oversight Committee's meeting scheduled for 23 February 2010, failing which the matter be referred to the Municipality's Internal Audit and Risk Assurance Sub-directorate for investigation."

Councillor M Odayar pointed out that he had expressed the view at the Committee's meeting held on 9 February 2010 that, whilst this Committee primarily focused on the Annual Report, its functions were not confined to the Annual Report only, and that it was agreed at the time that the Committee had the responsibility to identify and bring those matters of concern to the attention of the Auditor-General that were not covered in the latter's report. He indicated that as the Committee's functions extended beyond the Annual Report, the name of the Annual Report Oversight Committee should be amended to reflect this. However, the Acting Chairperson explained that the Committee was established by Council and pointed out that the Council on 25 January 2010 resolved that the Acting Municipal Manager should investigate and report on extending the scope of the Committee.

Councillor E C Trent stated that not all the Committee's deliberations on 9 February 2010 were captured in the minutes and that the Committee's concerns about the urgent need to address weak management systems, as highlighted by the Auditor-General, should have been reflected as a resolution of the Committee. Furthermore, Councillor Trent referred to Min. No. 3(d) (page 4 of the Minutes dated 9 February 2010) pertaining to the deregistration of Section 21 companies, pointing out that the Committee had agreed at the time that the management of those companies should be required to account to the Committee on their poor management and the losses suffered as a result thereof. Councillor Trent also pointed out that the Committee's concerns re paragraph 46 of the Auditor-General's Report – *Inconsistently reported performance information*, were not reflected in the aforementioned Minutes dated 9 February 2010, and it was agreed that the following resolutions should be included:

- (i) That the issue of weak management systems resulting in unauthorised, irregular, fruitless and wasteful expenditure as well as material losses through criminal conduct be addressed as a matter of extreme urgency, and that the Acting Municipal Manager report on the strategy in this regard to the Committee's next meeting.
- (ii) That a progress report on the outcome of the partnership with Ernest and Young to alleviate the Internal Audit and Risk Assurance Sub-directorate's capacity problems be submitted to the Committee's next meeting.
- (iii) That a report on the failure of the Municipality to report on key performance indicators, as highlighted in the Auditor-General's Report for the period under review, be submitted to the Committee's next meeting.

**RESOLVED:**

That the Minutes of Proceedings of the Annual Report Oversight Committee's meetings held on 1 and 9 February 2010, as circulated and as amended in the preamble above, be hereby confirmed.

(The Executive Director : Corporate Services left the meeting at 10:00, while Councillor N S Magopeni left at 10:20.)

**REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES**

**5. EVALUATION OF PROGRESS MADE WITH IMPLEMENTATION OF OVERSIGHT COMMITTEE'S RESOLUTIONS (3/2/9/1)**

Referring to the report by the Executive Director : Public Health, as contained as Annexure "A" to the Executive Director : Corporate Services' Report, the Acting Chairperson pointed out that the draft framework for the elimination of illegal dumping had been received, but that the report pertaining to the causes of the illegal dumping at the site adjacent to the Traffic Department's offices in Sidwell as reflected elsewhere in these Minutes, was still outstanding. She indicated that other critical areas where illegal dumping took place should also be identified and brought to the attention of the Annual Report Oversight Committee. The Acting Chairperson also stated that the strategy to address illegal dumping should be sustainable and extend beyond the 2010 FIFA World Cup, pointing out that the Oversight Committee had recommended that the Portfolio Councillor should ensure that the Project Steering Committee performed its functions in view of the slow progress made in this regard since March 2009.

The Director : Occupational Health, Safety and Wellness, Mr A Tolom, elaborated on the Directorate's report and pointed out that the Project Steering Committee, including the Directorates of Housing and Land, Public Health and Safety and Security had met and that a draft strategy had been developed.

Councillor Trent stated that the illegal dumping problem was of serious concern and that the Committee should be informed of what has been done and what would be done to address this problem in view of the urgency of the matter. She indicated that the draft framework had been submitted at a very late stage, adding that the Executive Director: Public Health should be held accountable for the poor progress made in addressing the problem of illegal dumping and pointing out that the Municipality's By-laws prescribed how issues such as illegal dumping should be dealt with.

Councillor M J De Andrade pointed out that the draft framework should have included the plans to achieve its objectives, while Councillor T Herbst pointed out that the Municipality had two Town Rangers only and queried the Municipality's capacity to implement and enforce this strategy. It was also pointed out that the Council's decision in respect of Contract 99 employees was adversely affecting the Directorate's ability to perform its functions, and it was requested that the Executive Director : Public Health report on the Directorate's budgetary and capacity constraints at the Committee's next meeting.

Councillor R V Williams referred to the poor state of the sports facilities in the Uitenhage area, pointing out that the Portfolio Councillor had encouraged him to continue taking photographs of these poorly maintained sports facilities and indicating that the photographs should be displayed at the Committee's next meeting. Councillor R V Williams also explained that there had been 40 motor vehicle accidents involving stray animals during the period 1 January to 30 June 2009, and that this problem was on the increase, especially on the road between Port Elizabeth and Uitenhage near KwaNobuhle, emphasising that the Municipality should address this dangerous situation before the 2010 FIFA World Cup. The suggestion that a report in this regard be submitted to the Committee's next meeting, was supported.

Councillor L J De Villiers pointed out that the Council had resolved in March 2009 that a Task Team should be established to eliminate illegal dumping, but that very little progress to addressing this problem had been to date. He requested that a report reflecting the reasons for the delayed implementation of the Council's decision re illegal dumping as well as the reasons why the Municipality had not intervened in the illegal dumping at the site next to the Sidwell Traffic Department be submitted to the Committee's next meeting. He also suggested that an incentives scheme to reward members of the public who reported illegal dumping activities should be investigated and reported on at the Committee's next meeting.

Councillor N R Captain expressed concern over the fact that Directorates consistently did not submit the reports requested by the Oversight Committee, requesting that these reports be made available to members prior to the Committee's next meeting.

**RESOLVED:**

- (a) That the causes of the illegal dumping at the site adjacent to the Traffic Department's offices in Sidwell be investigated by the Executive Director : Public Health in conjunction with the Safety and Security Services and Housing and Land Directorates and that a detailed report in this regard, including the reasons why the Municipality had to date not intervened in this instance, be submitted to the Annual Report Oversight Committee's meeting scheduled for 4 March 2010, failing which the matter be referred to the

Municipality's Internal Audit and Risk Assurance Sub-directorate for investigation.

- (b) That other critical areas throughout Nelson Mandela Bay where illegal dumping took place be identified and reported to the Committee's next meeting.
- (c) That the Executive Director: Public Health report to the Committee's next meeting on the reasons for the delay in the development of a strategy framework for the elimination of illegal dumping.
- (d) That the Executive Director: Public Health submit a comprehensive report to the Committee's next meeting on the Directorate's implementation plans to deal with the current situation in respect of illegal dumping, including timeframes, cost, viability to implement during current financial year and sustainability over future financial years, capacity and budgetary constraints, strategies to prevent illegal dumping and the capacity to enforce the Municipal By-laws.
- (e) That the Executive Director: Public Health submit a report on the Directorate's strategy and implementation plans to deal with stray animals on roads to the Committee's next meeting.
- (f) That an incentives scheme to reward members of the public who reported illegal dumping activities that resulted in successful convictions be investigated and reported on at the Committee's next meeting.

## **2. 2008/09 ANNUAL REPORT (3/2/9/1)**

The Acting Chairperson pointed out that the 2008/09 Annual Report would be dealt with after the Committee had concluded its evaluation of the progress made with the implementation of its recommendations.

### **NOTED**

## **3. AUDITOR-GENERAL'S REPORT FOR 2008/09 (5/20/2/6/1)**

It was pointed out that the progress report by the Office of the Deputy Executive Mayor as per paragraph 3(b) of the Committee's Minutes dated 9 February 2010 (page 4) was still outstanding. The Chief Financial Officer pointed out that this issue had also been raised at the level of the Budget and Treasury Committee. Councillor L J De Villiers stated that details of the arrears due by government departments should be made available to Councillors in order for the latter to be able to raise such concerns with their respective party representatives deployed to other spheres of government. The Acting Chairperson indicated that the Deputy Executive Mayor needed to take the matter up at a political level, as intergovernmental relations was the latter's responsibility.

With regard to paragraph 3(e) of the Committee's Minutes dated 9 February 2010 (page 4), the Administration Officer : Corporate Services, Ms J Makamandela, explained that the required report on leave not taken during leave cycles, leave exceeding the maximum day allowed and unauthorised leave was still being

prepared, and the Acting Chairperson indicated that the report should be submitted to the Committee's next meeting.

Councillor R N Captain again expressed concern over the fact that reports were not submitted to the Committee when requested, and the Acting Municipal Manager reported that a mechanism to monitor the implementation of resolutions by the Council, the Executive Mayor, and ultimately all Committees, was being developed, and the Acting Chairperson requested that the Acting Municipal Manager in the interim pressurise Directorates to submit the required reports timeously to this Committee.

In respect of paragraphs 3(f) of the Committee's Minutes dated 9 February 2010 (page 5), it was pointed out that the report by the Chief Financial Officer was attached as Annexure "B" to the Report by the Executive Director: Corporate Services to the Annual Report Oversight Committee meeting dated 23 February 2010. The Chief Financial Officer explained that Supply Chain Management was currently centralised under the Budget and Treasury Directorate, and that there was a need to decentralise it in order to strengthen controls. It was not the intention for this Committee to deal with the recommendations as contained in the report at this stage, as these would be considered during the review of the organogram of the Municipality. Councillor M D Seti pointed out that the report indicated that the Municipality was moving in the right direction and that it should be dealt with at a broader forum.

Councillor E C Trent requested that the Auditor-General's representative should comment on the Chief Financial Officer's report, as the former had expressed concern over the lack of the recording of actions during Supply Chain Management processes. The Auditor-General's representative explained that the proposed structure would be compared to the audit findings of the previous year and that the action plan would be evaluated, pointing out that the report was merely a proposal at this stage.

Councillor R N Captain suggested that a report re the processes followed in respect of tenders and the paperwork involved in the process be submitted to the Committee's next meeting. Councillor De Villiers enquired as to how the report submitted by the Chief Financial Officer addressed the concerns raised by the Auditor-General in his report (paragraphs 22 to 24). The Chief Financial Officer explained that the decentralisation of the Supply Chain Management process formed part of the process to review the organogram and those issues such as the segregation and extension of duties would also be dealt with during the review process, and that all officials involved in the adjudication process were required to sign a Certificate of Impartiality.

The point was made that a system for the declaration of business interests by senior officials similar to that required of Councillors needed to be implemented, and it was pointed out that it was required of Section 57 employees to declare their business interests on an annual basis. The Acting Municipal Manager indicated that the legality of such a system should be investigated in the first instance and undertook to submit a report in this regard to the Council at its meeting scheduled for 25 March 2010.

With reference to paragraph 3(g) of the of the Committee's Minutes dated 9 February 2010 (page 5), the Acting Municipal Manager explained that he was investigating the issues raised by Councillor M Odayar re the Supply Chain Management process and that he would liaise with the Speaker on how to respond on the legal complexities

and considerations. The Acting Chairperson indicated that a written report should be submitted to the Committee once the investigation has been concluded.

Referring to the report by the Executive Director: Economic Development and Recreational Services on the East Cape Soccer Challenge, attached as Annexure "C" to the Executive Director : Corporate Services' Report, Councillor Trent stated that there were too many instances where public funds had been wasted by the Economic Development and Recreational Services Directorate on failed events of this nature and that officials should properly research those who applied for fund to host/stage events. The Acting Chairperson also stated that promoters/events companies were not intensively researched and that contracts were not properly managed, and enquired as to who should be held accountable and how the Municipality's funds could be recovered.

Councillor R V Williams stated that the public had the perception that contracts to stage events were not dealt with in a competent manner, and enquired as to who decided that a contractor was competent to host an event. Councillor De Villiers stated that the report by the Executive Director: Economic Development and Recreational Services should be rejected as events companies' track records should be one of the primary factors when investments of this nature were considered in order for applicants to be vetted by the relevant officials. He suggested that paragraph (b) of the Executive Mayor's decision dated 27 May 2009 (Min. No. 212/2009) should be amended to read as follows:

- "(b) That in future, any company/sports association wishing to be in partnership with the Council with respect to the holding of a sports event or any other activity, be required to disclose its financial position and other donors/funders, as well as previous experiences together with full credentials and referrals, prior to any agreements being concluded."

Councillor M Odayar stated that there was a tendency to sponsor events of little significance to Nelson Mandela Bay and that a rigorous process should be implemented to evaluate applicants and the benefits of the proposed events to the city. He suggested that a report on other failed events and the steps taken to recover the Municipality's funds should be submitted to the Committee's next meeting.

Councillor T Herbst stated that those responsible for failed events should be held accountable, as no steps were being taken against those who abused the Municipality's funds, and enquired as to who served on the Events Committee. Councillor Trent stated that it was the responsibility of the Executive Director to ensure that the credentials of those applying for public funds were scrutinised and verified in order for the Council to take informed decisions, and that senior management should be held accountable for losses suffered by the Municipality. She also enquired as to why the report submitted to the Executive Mayor on 27 May 2009 had not also been submitted to the Council. The Acting Chairperson requested that this be investigated by the Secretariat.

The Executive Director: Economic Development and Recreational Services explained that the recovery of the Municipality's funds was currently being dealt with by the Legal Services Sub-directorate, and that a process had been established to enable officials to assess events prior to the applications being considered by the Events Committee. The point was made that the Directorate had to ensure that the requirements of Section 67 of the Local Government: Municipal Finance Management Act, Act 56 of 2003 were met before any grant funding was paid to

applicants. The Executive Director also explained that the requirement of experience could result in the exclusion of a number of emerging black event organisers and pointed out that the events processes were reviewed annually in order to address weaknesses in the system.

The Acting Chairperson indicated that it should be a recommendation of this Committee that event organisers be vetted as per Councillor L J De Villiers' proposal, the benefits of a proposed event to Nelson Mandela Bay to be one of the determining criteria and that the composition of the Events Committee should be reviewed in order to ensure that the applicable officials (i.e. from Legal Services) were represented on the Committee.

Referring to paragraph 34 of the Auditor-General's Report, the Executive Director: Economic Development and Recreational Services explained that the report on the Red Location Mausoleum could not be finalised due to capacity constraints. He undertook to submit the report to the Committee as soon as it has been finalised. The Acting Chairperson indicated that the Committee should be informed in writing of difficulties experienced by directorates to comply with the Committee's requests for reports.

The Acting Chairperson pointed out that the report in respect of paragraph 35 of the Auditor-General's Report was still outstanding, and the Director : Internal Audit and Risk Assurance Sub-directorate, Ms B Chan, explained that the investigation would be outsourced and that it was anticipated that the proposals received would be evaluated during March 2010. Councillor Odayar requested that it should be a standard practice that the Director: Internal Audit and Risk Assurance Sub-directorate brief the Committee on pending cases of alleged misconduct by officials. It was pointed out that such cases could contain sensitive information and that careful consideration should be given to what information should be reported, as the meetings of the Committee were open to public and the media. The Acting Chairperson indicated that it was not necessary to report the details of such cases, but that the Committee needed confirmation that officials involved in irregular activities were held accountable. Councillor R V Williams stated that although officials should be held accountable for mismanagement and/or maladministration, those with decision making powers should also be held accountable at a political level.

Councillor M D Seti referred to the costs associated with investigations into such cases and stated that the merits of incurring these costs should be considered, and the Acting Chairperson indicated that a framework should be developed in the first instance to determine the merits of incurring such expenditure. Councillor E C Trent suggested that these costs should be regarded as fruitless expenditure. The Acting Chairperson stated that the legal costs of these cases should be added and that such cases should be pursued with a view to recovering the fruitless/wasteful expenditure. It was requested that the Acting Municipal Manager in conjunction with the Chief Financial Officer should submit a report on the progress made in dealing with fruitless/wasteful expenditure and the recovery thereof to the Committee's next meeting.

Councillor L J De Villiers at this stage referred to Item 44.7 of the Notes to the Financial Statements for the year ended 30 June 2009 (page 412 of the Annual Report), pointing out that the Committee had on 9 February 2010 agreed that a report on the alleged exorbitant payments for emptying the digester tank at Colchester be submitted to the Committee, which should have been reflected in those Minutes. In addition, Councillor L J De Villiers referred to those issues raised by Councillor Trent under the section *Confirmation of Minutes*, and it was agreed that

the Director : Internal Audit and Risk Assurance Sub-directorate submit a consolidated report in this regard to the Committee's next meeting.

**RESOLVED:**

- (a) That the Office of the Deputy Executive Mayor submit a progress report in respect of the interventions taken, deliberations, outcomes and way forward of the Intergovernmental Relations Task Team to the next meeting of the Committee.
- (b) That the Executive Director: Corporate Services submit a report in respect of leave not taken during leave cycles, leave exceeding maximum days allowed and unauthorised leave to the Committee's next meeting.
- (c) That the Acting Municipal Manager ensure that directorates submit their reports as required by the Committee.
- (d) That a report on the processes followed in respect of tenders and the paperwork involved in this process be submitted by the Chief Financial Officer to the Committee's next meeting.
- (e) That the legality of a system for the declaration of business interests by senior officials similar to that introduced for Councillors be investigated by the Acting Municipal Manager and reported on to the Council's meeting scheduled for 25 March 2010.
- (f) That the Acting Municipal Manager submit the response to the letter on the Supply Chain Management process forwarded to his office by Councillor M Odayar to the Committee once the investigation has been concluded.
- (g) That it be a recommendation to the Council that paragraph (b) of the Executive Mayor's decision dated 27 May 2009 (Min. No. 212/2009) pertaining to the staging of events be amended to read as follows:
  - “(b) That in future, any company/sports association wishing to be in partnership with the Council with respect to the holding of a sports event or any other activity, be required to disclose its financial position and other donors/funders, as well as previous experiences together with full credentials and referrals, prior to any agreements being concluded.”
- (h) That a report on failed events and the steps taken to recover the Municipality's funds be submitted by the Executive Director: Economic Development and Recreational Services to the Committee's next meeting.
- (i) That the reasons why the report on the East Cape Soccer Challenge submitted to the Executive Mayor on 27 May 2009 had not also been submitted to the Council, be investigated by the Secretariat.
- (j) That the benefits of a proposed event to Nelson Mandela Bay be one of the determining criteria to be considered by the Events Committee, and that the composition of the Events Committee be reviewed in order to ensure that the applicable officials (i.e. from Legal Services Sub-directorate) are represented on the Events Committee.

- (k) That a detailed report re the opening of the Red Location Museum as per Item 34 of the Auditor-General's Report be submitted to the Committee's next meeting.
- (l) That the Committee be informed in writing of the difficulties experienced by directorates to comply with the Committee's requests for reports.
- (m) That the Director : Internal Audit and Risk Management brief the Committee on pending cases of alleged misconduct by officials on a regular basis.
- (n) That the Acting Municipal Manager, in conjunction with the Chief Financial Officer, submit a report on the progress made in dealing with fruitless/wasteful expenditure and the recovery thereof to the Committee's next meeting.
- (o) That the issue of weak management systems resulting in unauthorised, irregular, fruitless and wasteful expenditure, as well as material losses through criminal conduct, be addressed as a matter of extreme urgency, and that the Director : Internal Audit and Risk Assurance Sub-directorate submit a report on the strategy in this regard to the Committee's next meeting, as well as a progress report on whether the partnership with Ernest and Young has alleviated the Internal Audit and Risk Assurance Sub-directorate's capacity problems.
- (p) That a report re Item 44.7 of the Notes to the Financial Statements for the year ended 30 June 2009 (page 412 of the Annual Report) pertaining to the alleged exorbitant payments for emptying the digester tank at Colchester be submitted to the Committee's next meeting.

#### **4. 2008/09 ANNUAL REPORT : PUBLIC PARTICIPATION PROCESS (3/2/9/1)**

Councillor R V Williams pointed out that an advertisement appeared in the newspapers on 23 February 2010 to the effect that public participation in respect of the Annual Report formed part of the Executive Mayor's Outreach Programme, remarking that this was irregular. He also indicated that more effort should be made to inform the residents of Uitenhage and Despatch of the public participation programme, and stated that insufficient time was allocated to deal with the Annual Report. He also recorded his objection to the short notice that was given to the Democratic Alliance, Ward Councillors and residents and stated that this arrangement had undesirable political undertones. He also pointed out that the abridged report did not reflect the Municipality's performance or the state of service delivery.

Councillor M J De Andrade pointed out that Councillors were not informed timeously when public meetings were cancelled, emphasising that those Councillors who were required to chair these public meetings should be informed of this well in advance. She also expressed concern over the integration of the Annual Report public participation process with the Executive Mayor's "100 Days" Programme, pointing out that the commencement time of the meetings was too early. Councillor T Herbst also pointed out that interpreters should be available at these public meetings.

Councillor Z J Seale pointed out that wards had been clustered together with a view to a more efficient process, and Councillor Seti explained that the Committee should focus on the public participation process as advertised on 23 February 2010 and fulfil its role during this process. He also pointed out that an Executive Summary of the

Annual Report, as circulated to those present at the meeting, would assist Councillors with the consultation process.

The Acting Chairperson indicated that the abridged version of the Annual Report should be delivered to the offices of all Ward Councillors, and requested that the Committee members should play a supportive role during the public participation process. She requested that the integrated process should be allowed to continue, stating that the Committee should express its views after it has been concluded. The point was made that Ward Councillors should have held public meetings with their constituents at this stage, and that the Committee should allow the process to continue. She requested that those areas that were not covered by the public participation process should be brought to the attention of the Speaker, and indicated that the Committee should make recommendations in respect of the Annual Report's public participation process to the Council.

Councillor E C Trent stated that the Democratic Alliance's concerns would be conveyed to the Executive Mayor, and Councillor De Andrade indicated that feedback meetings should be held with the public.

**RESOLVED:**

That firm recommendations in respect of the Annual Report's public participation process be made to the Council when submitting the Committee's Oversight Report.

The Acting Chairperson at this stage explained that Councillors could refer to those matters that emanated from the Management Reports when considering the Annual Report, but that it was suggested that the Annual Report rather be considered at the Committee's next meeting, in view of time constraints.

The meeting terminated at 12:10.

**ACTING CHAIRPERSON**

## **MINUTES OF PROCEEDINGS ANNUAL REPORT OVERSIGHT COMMITTEE**

**(Meeting held 4 March 2010)**

**PRESENT:** Speaker (Chairperson)

Councillor R N Captain  
 Councillor L J De Villiers  
 Councillor P B Lonake  
 Councillor N S Magopeni  
 Councillor M D Seti  
 Councillor E C Trent  
 Councillor R V Williams

**ALSO PRESENT:** Councillor T M Herbst  
 Auditor-General's Representative (Mr C van Dyk)

Acting Municipal Manager (Mr E Ntoba)  
 Chief Operating Officer (Dr I Tsatsire)  
 Chief Financial Officer (Mr K Jocoby)  
 Executive Director : Corporate Services (Mr R Nolutshungu)  
 Executive Director : Housing and Land (Mr S Maqetuka)  
 Executive Director : Safety and Security (Mr W Kruger)  
 Acting Executive Director : 2010 (Mr M P Skade)  
 Acting Executive Director : Electricity and Energy (Mr M Bukula)  
 Administrative Officer : Corporate Services (Ms J Makamandela)  
 Acting Executive Director : Public Health (Mr J Mkosana)  
 Director : Office of the Speaker (Mr N Mqulwana)  
 Director : Policy, Strategy and Research (Ms L C Nkanjeni)  
 Director : Internal Audit and Risk Management (Ms B Chan)  
 Senior Auditor (Mr A Bezuidenhout)  
 Director : Beaches and Resorts (Mr T Knott)  
 Senior Committee Secretary (Mr P Broodryk)

### **APPLICATIONS FOR LEAVE OF ABSENCE / APOLOGIES**

Applications for leave of absences for the non-attendance of this meeting were received from the following members and officials respectively:

Councillor M Odayar  
 Councillor B C Williams  
 Councillor Z Seale

Executive Director : 2010 (Mr E Heynes)  
 Executive Director : Economic Development and Recreational Services (Mr Z Siswana)  
 Executive Director : Public Health (Dr M Chabula)

**CONFIRMATION OF MINUTES**

Councillor De Villiers pointed out that the Traffic and Licensing Department was situated in "Sidwell" and not "Sydenham", as reflected in the minutes.

Councillor L J De Villiers referred to Min. No. 3/2010 (Auditor-General's Report) paragraph (a) of the resolutions and pointed out that the arrears owed by government departments to the Municipality must form part of the resolution, as well as how this situation would be addressed by officials.

Councillor R V Williams referred to the third paragraph on page 4 of the minutes and pointed out that the illegal dumping near to the Traffic Department was merely referred to as an example, and that the taking of photographs could be used as a technique to illustrate the problem.

**RESOLVED:**

That the Minutes of Proceedings of the Annual Report Oversight Committee's meeting held on 23 February 2010, as circulated and as amended in the pre-ambule above, be hereby confirmed.

**MATTERS ARISING FROM THE MINUTES**

Councillor E C Trent referred to the report on the deregistration of municipal entities, stating that the contingent liabilities in respect thereof needed to be grouped together and that it should be addressed as a collective. She also enquired whether the issue of the poor management of entities was covered in the report.

Councillor R V Williams pointed out that no response on the problem of stray animals had been received from the Executive Director: Public Health and tabled the statement attached, marked **Annexure "A"**, in this regard.

**RESOLVED:**

That the Executive Director: Public Health submit a report on the control of stray animals that specifically addressed the concerns raised by Councillor R V Williams, as reflected in Annexure "A", to the next meeting.

**REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES****5. EVALUATION OF PROGRESS MADE WITH IMPLEMENTATION OF OVERSIGHT COMMITTEE'S RESOLUTIONS (3/2/9/1)**

Annexure "A" of the Executive Director : Corporate Services' report refers.

Councillor L J De Villiers was of the opinion that there was no reason to establish such a committee as referred to above. He contended that it was the Acting Municipal Manager's responsibility to act against fruitless and wasteful expenditure. Councillor E C Trent agreed with the opinion of Councillor L J De Villiers in this regard.

The Chairperson pointed out that the Democratic Alliance had requested that proper measures be put in place to monitor fruitless/wasteful expenditure and that in terms of the MFMA, this Committee would address this matter effectively.

The Chief Financial Officer pointed out that Sections 32(2) and 32(2)(b) specifically referred to a Council Committee that could be established and that the Mayoral Committee was in favour thereof. Councillor L J De Villiers felt that this task/responsibility should be assumed by the Oversight Committee.

The Chief Financial Officer requested that the envisaged committee be given an opportunity to prove its worth and to generate the necessary reports on fruitless and wasteful expenditure for the Acting Municipal Manager.

The members of the Democratic Alliance agreed that their party should then at least be represented on the Committee to be established.

The Chairperson requested that the Democratic Alliance should forward its request to the Executive Mayor for a representative from that party to be included on the envisaged committee.

**RESOLVED:**

That the Democratic Alliance submit its request to be represented on the envisaged committee on fruitless and wasteful expenditure to the Executive Mayor.

**6. FLOW CHART IN RESPECT OF PROCESS FOLLOWED IN RESPECT OF TENDERS AND PAPERWORK**

Annexure "B" of the Executive Director : Corporate Services' report refers.

Councillor L J De Villiers felt that the flow chart was not clear and that it emanated from the Auditor-General's report. He felt that a papertrail must be in place and that, based on the available information, the Supply Chain Management System could not be properly evaluated. He suggested that the relevant paperwork should be available on the file to reflect a complete record of all tenders.

The Chief Financial Officer pointed out that an electronic storage system for all documents was in place.

**NOTED**

**7. DEREGISTRATION OF MUNICIPAL ENTITIES**

Annexure "C" of the Executive Director: Corporate Services' report refers.

Councillor E C Trent expressed concern over the period that had lapsed since the Council decision that all municipal entities be deregistered. She also enquired why Centenary Promotions was only discovered thereafter and about the appointment of two separate attorney companies to deal with the matter. She felt that this was a waste of money, as it would double the cost of deregistration. She also queried that the report reflected that there were no assets found.

A representative of the Legal Services Sub-directorate briefly elaborated on the concerns raised by Councillor E C Trent and pointed out that the process was being finalised.

The Executive Director : Corporate Services pointed out that the Feather Market Centre was managed by a Chief Executive Officer and that a number of aspects and directors were involved in the operation of the Centre. A Task Team was established to deal with the matter, which had caused delay.

Councillor E C Trent requested that a full report on the consequences of the poor management of the Centre and the subsequent losses suffered by the entities, be submitted.

**RESOLVED:**

That the Executive Director: Corporate Services submit a comprehensive report on the Feather Market Centre and Centenary Promotions in respect of the losses suffered due to the poor management thereof and the latest progress made with deregistration.

**8. REPORT ON ILLEGAL DUMPING**

Annexure "D" of the Executive Director : Corporate Services' report refers.

All present agreed that the report that was tabled at the meeting and referred to elsewhere in the minutes did not address the issue of illegal dumping and the measures suggested to curb this problem in the Municipality.

The Committee took note of the problem that existed at the site next to the Traffic Department in Sidwell, but felt that a strategy and an implementation plan were necessary. Councillor L J De Villiers referred to page 7 paragraph (c) of the minutes, stating that a comprehensive report on illegal dumping was awaited.

Councillors R N Captain and N S Magopeni agreed with the comments by Councillor L J De Villiers, emphasising that all aspects of illegal dumping should be addressed in a comprehensive strategy plan.

The Chairperson pointed out that there was an anomaly in respect of the responsibility for illegal dumping: this was previously the responsibility of the Safety and Security Directorate, but has since been moved to the Public Health Directorate. It was noted that no clear strategy existed in who was responsible for control over illegal dumping.

The Chairperson requested that the Acting Municipal Manager, in consultation with the relevant Executive Director, responsible Director and Portfolio Councillor, be present at the next meeting to account for the state of illegal dumping in Nelson Mandela Bay. The Committee requested that a comprehensive report be submitted to the Committee prior to the meeting.

It was agreed that this matter be dealt with as the first item on the agenda at the next meeting.

**RESOLVED:**

That the Executive Director : Public Health submit a comprehensive report reflecting the strategy and implementation plan with timeframes on illegal dumping in Nelson Mandela Bay and that the plan include the period beyond the 2010 FIFA World Cup.

## 9. INTERGOVERNMENTAL MATTERS

Annexure "E" of the Report by Executive Director: Corporate Services refers.

Councillor L J De Villiers pointed out that no reports on the arrears of government departments had been submitted to the Intergovernmental Relations Sub-Committee and was concerned that this money would never be recovered.

The Chairperson pointed out that a special Committee had been established under the leadership of the Deputy Executive Mayor, with support from the relevant administrative structures, to deal with the arrears of government departments. She added that the relevant systems and monitoring mechanisms were in place to ensure compliance with this issue.

Councillor L J De Villiers felt that the report should reflect the names of the officials that were committed to this process and whether regular enquiries were being made about the arrears. He enquired whether the relevant payment schedules were provided and whether these were being honoured. He referred to the 60% payment from MTAB and enquired whether the remaining R24,3 million would be received.

The Chief Financial Officer assured the Committee that various positive steps had been implemented to recover the funds from the government departments.

### NOTED

## 10. ADDITIONAL ITEM : ILLEGAL DUMPING : ERF 7234, SIDWELL

Attached marked **Annexure "B"** hereto is a report on illegal dumping on Erf 7234, Sidwell by the Executive Director : Public Health.

Councillor L J De Villiers informed the Committee that this matter had first been reported in 2007 and that it was necessary to identify the owner of the said property. He referred to correspondence from the Public Health Directorate confirming that the owner had been identified and that steps had been taken to rectify the situation. He expressed concern that, to date, no concrete action had been taken against the owner of the relevant property and that there was a total lack of response from the Public Health Directorate in respect of correspondence in the above regard. He felt that the relevant officials and the Executive Director should account to the Oversight Committee.

Councillor R V Williams agreed that this matter should now be expedited and that the general response to correspondence from the Public Health Directorate was very poor.

Councillor M D Seti pointed out that an inter-Directorate Task Team had been established to investigate and implement measures in respect of illegal dumping throughout the municipal area and felt that the relevant matter should be included in the Task Team's brief.

Councillor L J De Villiers informed the Committee of the lack of action by the Public Health Directorate in respect of Erf 7234, Sidwell (adjacent to Traffic Department). He quoted various correspondences to the relevant Directorate and their complete ignorance in this regard. He requested that all the responsible officials account to the Committee at its next meeting.

Councillor R V Williams agreed with the motion and emphasised that responses by the Public Health Directorate were generally very poor.

Councillor M D Seti felt that the Task Team established should investigate all these matters as part of its overall strategy.

The Chairperson suggested that the Acting Municipal Manager ensure that the Executive Director : Public Health submit the requested report in respect of illegal dumping as well as the progress made to date in respect of Erf 7234, Sidwell. The report should include a holistic strategy, implementation plan and timeframes post the 2010 FIFA World Cup.

The Chairperson requested the Acting Municipal Manager to deal directly with the Executive Director : Public Health in respect of their poor response to queries from Councillors and the public in general. She further requested that the Legal Services Sub-directorate submit a report on the progress made to date in respect of the action taken against the owner of Erf 7234, Sidwell. It was also felt that this matter should be dealt with under the broader holistic report on illegal dumping. She agreed that the delay to expedite this matter was unacceptable and that the relevant systems were not in place.

**RESOLVED:**

That the Executive Director : Public Health in consultation with the Legal Services Sub-directorate submit a progress report on the illegal dumping that occurred on Erf 7234, Sidwell, and that this matter be incorporated in the overall strategy to deal with this problem.

**11. ADDITIONAL ITEM : LEAVE NOT TAKEN DURING LEAVE CYCLES AND LEAVE DAYS EXCEEDING THE MINIMUM DAYS ALLOWED (4/2/1/2)**

Attached marked **Annexure "C"** is a report in the above regard that was tabled at the meeting.

Councillor E C Trent was of the opinion that the letter issued by the Executive Director : Corporate Services dated 2 March 2010 in this regard was too late and was not assisting the Committee in addressing this matter. She felt that management was not responding to the resolution taken by this Committee.

The Chief Financial Officer agreed that this matter should be dealt with in a constructive manner and that proper control measures should be put in place.

The Chairperson referred to the collective agreement in respect of leave and emphasised that management should adhere thereto. She added that management in general should adhere to the conditions governing staff leave.

The Executive Director : Corporate Services pointed out that the issue of unauthorised leave was not dealt with in the report.

Councillor Trent pointed out that unauthorised leave must be included, as it was part of the queries raised in the Auditor-General's report.

**RESOLVED:**

That the Executive Director : Corporate Services submit a report in respect of all unauthorised leave taken to the next meeting of the Committee.

**12. ADDITIONAL ITEM : KEY PERFORMANCE INDICATORS NOT REPORTED ON BY MUNICIPALITY**

Attached marked **Annexure "D"** hereto is a report in the above regard that was tabled at the meeting.

**NOTED**

**13. ADDITIONAL ITEM : FORENSIC AUDIT REPORT BY THE INTERNAL AUDIT AND RISK ASSURANCE SUB-DIRECTORATE**

This matter was considered as very sensitive and it was agreed that it be considered as private and confidential.

Separately minuted in terms of Section 20(1) of the Local Government : Municipal Systems Act, 3 of 2000.

The meeting terminated at 13:30.

**CHAIRPERSON**

## **MINUTES OF PROCEEDINGS ANNUAL REPORT OVERSIGHT COMMITTEE**

**(Meeting held 11 March 2010)**

**PRESENT:** Councillor B C Williams (Acting Chairperson)

Councillor R N Captain  
 Councillor L J De Villiers  
 Councillor P B Lonake  
 Councillor N S Magopeni  
 Councillor M Odayar  
 Councillor Z J Seale  
 Councillor M D Seti  
 Councillor E C Trent  
 Councillor R V Williams

**ALSO PRESENT:** Councillor T M Herbst  
 Councillor J N Mapu  
 Auditor-General's Representative (Mr C Van Dyk)  
 Acting Municipal Manager (Mr E Ntoba)  
 Chief Operating Officer (Dr I Tsatsire)  
 Executive Director : Corporate Services (Mr R Nolutshungu)  
 Executive Director : Housing and Land (Mr S Maqetuka)  
 Executive Director : Economic Development and Recreational Services  
 (Mr S Ziswana)  
 Acting Executive Director : Infrastructure and Engineering  
 Executive Director : Public Health (Dr M Chabula)  
 Acting Executive Director : 2010 (Mr M P Skade)  
 Acting Executive Director : Electricity and Energy (Mr M Bukula)  
 Acting Executive Director : Safety and Security (Mr A de Ridder)  
 Assistant Director : Legal Services (Adv. M Tshamase)  
 Director : Beaches and Resorts (Mr T Knott)  
 Director : Budget and Treasury (Mr S Thys)  
 Director : Office of the Speaker (Mr N Mqulwana)  
 Director : Policy, Strategy and Research (Ms L C Nkanjeni)  
 Acting Director : Public Health (Mr R le Roux)  
 Assistant Director : Public Health (Ms A Dyakala)  
 Assistant Director : Infrastructure and Engineering (Mr B Mortimer)  
 Assistant Director : Public Health (Mr/Ms G Foutic)  
 Assistant Director : Public Health (Mr/Ms N J Oliphant)  
 Assistant Director : Public Health (Mr/Ms N H Mbonda)  
 Chief Executive Office : Feather Market Centre (Mr K Murcott)  
 Manager : Nangoza Jebe Hall (Mr M J Majola)  
 Administrative Officer : Corporate Services (Ms J Makamandela)  
 Senior Committee Secretary (Mr C Coetzee)

**ABSENT:** Speaker (Councillor H Sauls-August)

## **APPLICATIONS FOR LEAVE OF ABSENCE / APOLOGIES**

The following leave of absences/apologies for the non-attendance of this meeting were received from the following official respectively:

Executive Director : Infrastructure and Engineering (Mr A Said)

## **CONFIRMATION OF MINUTES : 4 MARCH 2010**

The Acting Executive Director; Infrastructure and Engineering pointed out that he was present at the meeting and requested that it be recorded accordingly.

It was pointed out that Annexure "E" referred to in Item 9 in respect of Intergovernmental matters was a report submitted by the Chief Operating Officer, not the Executive Director : Corporate Services.

Councillor L J De Villiers pointed out that in respect of Item 10, paragraph two, the word "not" should be inserted before "necessary" and that the word "no" should be inserted before "concrete action".

Councillor L J De Villiers stated that the following reflected in the preamble of additional Item 20 dealing with illegal dumping on Erf 7234, Sidwell should form part of the resolution, which is accordingly amended to read as follows:

- (a) That the Acting Municipal Manager deal directly with the Executive Director : Public Health in general.
- (b) That the Executive Director : Public Health, in consultation with the Legal Services Sub-directorate, submit a progress report in respect of the illegal dumping on Erf 7234, Sidwell, and that this matter be incorporated in the overall strategy to deal with this problem.

## **REPORT BY EXECUTIVE DIRECTOR: CORPORATE SERVICES**

### **1. EVALUATION OF PROGRESS MADE WITH IMPLEMENTATION OF OVERSIGHT COMMITTEE'S RECOMMENDATIONS IN RESPECT OF 2007/08 ANNUAL REPORT/IMPLEMENTATION OF OVERSIGHT COMMITTEE'S RESOLUTIONS**

An additional item to be considered in conjunction with this item was tabled at the meeting, attached as **Annexure "A"** hereto.

A presentation made by the Acting Director, Waste Management was, after discussion, not proceeded with due, to the absence of an implementation plan.

Councillor L J De Villiers expressed his concern about the delays in addressing the issue of illegal dumping on Erf 7234, Korsten.

Councillor E C Trent stated that the Municipality had a policy in place in terms of which the property and the owner be charged. The Acting Chairperson, Councillor B C Williams, requested that the existence of this policy be investigated. It was noted that negotiations with the owner of the property were under way and that the company had indicated its willingness to deal with the matter. Councillor R N Captain requested and it was agreed that a progress report in this regard be submitted to the next meeting.

The Acting Director : Waste Management elaborated on the progress made by the Task Team to date and showed some slides in illustration.

Councillor L J De Villiers raised the question as to whether the guaranteed funds of R2,7 million was raised prior to the Council's monies being paid over for the hosting of the NMB International Music Festival. Councillor Herbst expressed his concern about the number of failed sponsored events. It was enquired who was accountable for these failed events.

Councillor M Odayar suggested and it was agreed that Councillors Ndoni, Kwenaithe and Van Jaarsveld, the Executive Director : Economic Development and Recreational Services and other relevant Economic Development and Recreational Services' officials, the 2010 marketing officials as well as he himself join the proposed Events Committee as members.

The Executive Director: Economic Development and Recreational Services emphasised the importance of appointing an Events Manager as soon as possible, stating that the process was being delayed by the unions. He added that a report as to who was accountable still needed to be submitted to the Recreation and Cultural Services Committee.

He pointed out that the private sponsors would often not release their monies until the Municipality released its portion of the funding.

It was enquired as to what progress had been made in the recovery of the monies. It was emphasised that the value of the event should form an integral part in the evaluation of its viability.

It was noted that an extended report from Dompas Media was still in the pipeline, but would not be completed in time for inclusion in the report to the Council.

**RESOLVED:**

- (a) That the Executive Director: Public Health, in consultation with the Legal Services Sub-directorate, submit a progress report on the illegal dumping on Erf 7234, Sidwell to the next meeting.
- (b) That the progress made with the implementation plan on illegal dumping in Nelson Mandela Bay be submitted to the next meeting, indicating the remaining challenges and timeframes, identified funding, and the resources available.

- (c) That the extended report from Dompas Media be submitted to the next meeting.
- (d) That Councillors M Odayar, Mr M Kwenaita, B Ndoni, A M J Van Jaarsveldt, the Executive Director: Economic Development and Recreational Services, relevant Economic Development and Recreational Services officials and 2010 Directorate officials join the Events Committee as members.

## 2. 2008/09 ANNUAL REPORT

Page 11 – It was pointed out that the word “clean” reflected in paragraph “c” of Key Achievements needed to be replaced with the word “unqualified”.

Page 16 – It was suggested and agreed that bullet point one of the Key Socio-economic statistics should either be more specific or that a parameter of between “30% and 40%” be included, in the place of “over 35%”.

Page 21 – It was pointed out that the column reflecting the actual access to potable water as 100% in paragraphs 1.4.3.3 and 1.4.3.4, Water and Sanitation and Refuse Removal respectively, was not accurate, as peri-urban areas were not included, and that this needed to be amended.

Page 22 – It was agreed that the Housing and Land statistics reflected in paragraph 1.4.3.5, Housing and Land Delivery, needed to be reported on separately.

Page 23 – Following discussions, it was felt that there were omissions in respect of the challenges confronting the institution, such as:

- Theft of electricity connections
- Water loss
- Trade union dominance
- Use of consultants
- Dependence on overtime

Furthermore, other issues that impacted negatively on the institution needed to be identified. It was emphasised that key challenges must be in relation to service delivery.

It was suggested and agreed that supply chain management training in respect of all roleplayers should be included under paragraph 1.5.3 of the Key Performance Indicator. In respect of paragraph 1.5.6, it was agreed that under the Actual 2008/09 column, the words “In Progress” be replaced with “Target not met”, and that a clear indication of the timeframe be included in the column “Explanation of Variance/Comments”. Under paragraph 1.5.13, Actual 2008/09 column, it was agreed that it be attempted to reduce the turnaround time for the recruitment of staff to two months. Under paragraph 1.7.1, it was agreed that a baseline as well as a new indicator be established and that values and a number of incidents be reflected in the “Actual 2008/09” column.

The following issues/omissions were highlighted in the report on “Institutional Transformation and Organisational Development : Performance Highlights, Challenges and Remedial Action” reflected on pages 32, 33 and 34:

- No performance assessments of the Municipal Manager and Executive Directors had been done for the 2007/08 and 2008/09 years.

It was agreed that the Acting Municipal Manager would deal with the matter. The Auditor-General's representative stated that it needed to be determined who should be held accountable for this situation.

It was agreed that the omission be recognised and brought into the report as an omission in italics.

- Councillor L J De Villiers again requested that those additional challenges previously mentioned be highlighted in the report, i.e. the use of consultants, dependence on overtime, water loss and theft of electricity connections.

The Acting Municipal Manager requested that the Executive Director : Corporate Services report the internal plan in this regard to the next Oversight Committee meeting.

The Chairperson suggested and it was agreed that an indication was needed on the underscoring of the Draft Employment Equity Plan.

The Acting Chairperson referred to paragraph (a), presentation of the organisational structure on page 34, and commented that the organogram referred to in Annexure "A" did not reflect the comprehensive organogram alluded to.

On enquiry, it was explained that the post of Executive Director : Electricity and Energy had been vacant since November 2008 and thus the expenditure on the remuneration reflected on page 37 was far lower than in respect of the other Executive Directors.

The Chairperson, in respect of Chapter 2: Basic Service Delivery and Infrastructure Development, paragraph 2.1.3 expressed concern about the issue of people remaining on the waiting list for extremely long periods and, in this regard, it was necessary to respond to the database. The Executive Director : Housing and Land stated that the Housing Waiting List was being phased out and that a Housing Demand Database had been established.

The Executive Director : Housing and Land stated that acting waiting lists were being developed for particular projects through using specific criteria.

It was generally felt that this policy could lead to subjective allocations, abuse of the system, corruption, or benefit only certain wards and groups. It was agreed that other options and alternative ways forward needed to be investigated.

The Executive Director: Housing and Land responded that it was important to distinguish between the relocation of communities and allocations from the Housing Demand Data Base. Furthermore, all allocations were made in terms of the Housing Policy.

At this stage, it was commented that no items had to date been submitted indicating the total of title deeds issued and the total delivered to beneficiaries, and it was agreed that these statistics be included in the report.

It was commented that in respect of paragraph 2.1.7, 7 on page 41, pockets of land had been identified for housing development; however, none had been delivered to date.

On enquiry, it was established that in respect of paragraph 2.3.1 on page 41, although the draft report regarding the amalgamation of the twelve zoning schemes as a pilot scheme had been approved, it had not as yet been approved by the Council, which situation needed to be rectified as a matter of urgency.

### **SUPPLEMENTARY AGENDA**

(Items 2 to 7 was considered after Item 1 of the Executive Director: Corporate Services' report of the Agenda.)

#### **1. ILLEGAL DUMPING AT TRAFFIC DEPARTMENT IN SIDWELL : PRIVATE LAND (ERF 7234, KORSTEN) (18/4/3/4)**

This item was considered in conjunction with Item 1 of the Agenda, Executive Director : Corporate Services' report.

#### **NOTED**

#### **2. IMPLEMENTATION PLANS TO DEAL WITH STRAY ANIMALS ON ROADS (19/2/8/R)**

Following discussion, it was agreed that the relevant By-laws needed to be applied. This was a key responsibility of the Public Health Directorate. It was further agreed that a budget needed to be put in place in the new financial year in order to fill vacancies and appoint relevant staff to deal with the problem of stray animals.

It was suggested and agreed that private sector involvement in this matter, i.e. security companies, be investigated.

#### **NOTED**

#### **3. INCENTIVE SCHEME TO REWARD MEMBERS OF PUBLIC WHO REPORT ILLEGAL DUMPING**

Following discussion, it was

#### **RESOLVED:**

That an incentives scheme to reward members of the public who report illegal dumping be dealt with by the Task Team investigating illegal dumping and that a further report be submitted on the implementation thereof.

**4. REPORT ON AUTHORISED LEAVE TAKEN BY STAFF (4/2/1/2)**

Following discussion, concern was expressed that no feedback had been received regarding the report requested in respect of the above.

**NOTED**

**5. OPERATIONAL PERFORMANCE : NANGOZA JEBE HALL**

It was reported that the SAPS were still investigating the theft of R12 000 from the safe at the Nangoza Jebe Hall. Furthermore, it was noted that Budget and Treasury had taken over the handling of cash at the hall.

**NOTED**

**6. OPERATIONAL PERFORMANCE OF FEATHER MARKET CONVENTION CENTRE (2/17/2)**

**NOTED**

**7. REPORT : MONEY STOLEN FROM FEATHER MARKET CENTRE (5/22/1)**

On enquiry, it was reported that an amount of R6 700 had been stolen.

**NOTED**

The meeting adjourned at 15:25, to be reconvened on 15 March 2010 at 13:00.

**CHAIRPERSON**

**MINUTES OF PROCEEDINGS OF ANNUAL REPORT OVERSIGHT COMMITTEE**

**(Meeting held 15 March 2010)**

**PRESENT:** Councillor B C Williams (Acting Chairperson)

Councillor N R Captain  
Councillor P B Lonake  
Councillor N S Magopeni  
Councillor M Odayar  
Councillor Z J Seale  
Councillor E Trent

**ALSO PRESENT:** Acting Municipal Manager ( Mr E Ntoba )  
Chief Operating Officer  
Executive Director : Housing and Land  
Executive Director : Economic Development and  
Recreational Services  
Executive Director : Budget and Treasury  
Executive Director Public Health  
Acting Executive Director : Electricity and Energy :  
Mr M Bukula  
Director : Office of the Speaker ( Mr N Mqulwana )  
Director : Policy, Strategy and Research ( Ms L C Nkanjeni )

Director : Safety And Security ( Mr A De Ridder )  
Director Infrastructure and Engineering ( Mr B Martin )

**ABSENT:** Speaker Councillor H August ( Apology )  
Councillor L De Villiers ( Apology )  
Councillor M D Seti ( Apology )  
Councillor R V Williams ( Apology )

**CONTINUATION OF REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES**

**2. 2008/09 ANNUAL REPORT - CONTINUATION**

Page 42 - Paragraph 2.3.2 (Land use management): It was suggested and agreed that timeframes should be put in place indicating the date of application through to the date of the final decision made. This suggestion needed to be applicable to all types of applications and issues.

The Executive Director: Housing and Land responded that a training system was in place. Furthermore, it should be noted that there was currently a moratorium on housing applications.

Page 43 - Paragraph 2.4.1 (Provision of water): It was pointed out that the provision of water in peri-urban areas should also be captured in the report. The Director: Water and Sanitation (Infrastructure and Engineering) commented that it was not possible to access private property to obtain information and that the statistics by way of a percentage, included previous disadvantaged communities only.

Page 44 - Paragraph 2.4.4 (Provision of water): It was stated that unaccounted for water remained a challenge although it had been reduced by 2% from 32% to 30%.

Page 46 - Paragraph 2.4.10 (Provision of water): Concern was expressed regarding the absence of proper planning in respect of water management. The Director: Water and Sanitation elaborated on the question of water management. It was pointed out that a Water Master Plan had been approved. It was also reported that a R650 million project in Nootgedacht was a long term project ,although it would be attempted to shorten the finalization of the project to 2013.

It was noted that a plan for water as well as electricity for projects such as Coega should be included in the planning.

It was pointed out that the community harboured resentment because about the lack of service delivery as well as the sustainability thereof.

Page 47 - Paragraph 2.4.13 (Provision of water): On enquiry, it was pointed out that a budget was in place to implement the Water Infrastructure Policy.

Page 47 - Paragraph 2.5.2 (Sanitation): On enquiry as to whether the Council was on track in respect of the explanation of variance/comments, it was responded that the valuation had been done and had provided to be very expensive.

Page 51 - Paragraph 2.8.10 (Electricity and energy): It was noted that this pilot project had not as yet commenced and that investigations were ongoing; however, the EIA had been finalised.

Page 52 - Paragraph 2.9.1 (Primary health care services): On enquiry, it was reported that all the community health clinics were operational; however, service delivery was being hampered by the severe staff shortages.

Page52 - Paragraph 2.9.3 (Primary health care services): On enquiry, it was explained that youth friendly health services encompassed a programme that had been implemented in terms of the NMBM/Göteborg Sida Twinning Programme.

Page 56 - Paragraph 2.11.6 (Waste management): It was noted that one transfer station/recycling centre was needed for every 3 000 households.

Page 57 - Paragraph 2.12.3 (Environmental health): it was stated that the requested chemical analysis of water was still outstanding and needed to be made available.

Page 57 – Paragraph 2.12.4 (Environmental health): On enquiry, it was explained that recreational water related to facilities such as swimming pools.

Page 58 - Paragraph 2.12.7(Environmental health): Reservations were expressed regarding the 100% reflected under the 'actual'. The Chairperson suggested and it was agreed that actual statistics of the number of incidents be indicated.

Following discussions, it was felt that directorates such as Safety and Security and private service providers could be incorporated to obtain the necessary statistics to be reflected under the KPI, including the baseline, the target as well as actual statistics in this report. This information needed to be fed into the IDP.

Page 59 - Paragraph 2.13.1 2.13(Parks): The statistics of the total number of public open spaces needed to be included.

Page 59 - Paragraph 2.13.3 (Parks) It was pointed out that the statistics in respect of trees removed also needed to be included. It was reported that the maintenance of trees through an 'Adopt a Tree' programme by the homeowner was being implemented. .

Page 59 - Paragraph 2.13.4 (Parks): The type of upgrading to cemeteries needed to be quantified and all cemeteries, as well as the deceased, needed to be treated equally. It was reported that Phase 1 of the upgrading had been concluded and that Phase 2 was soon to follow.

The Chairperson requested and it was agreed that it be included in the report. It was suggested and agreed that wards in which the public open spaces had been upgraded would be included in the report.

Page 60 - Paragraph 2.14.5 (Environmental management): It was pointed out and it was agreed that it be corrected that the baseline, target and actual columns be amended, as the target reflected was lower than the baseline and actual.

Page 61 Paragraph 2.15.5 (Crime prevention): It was reported that the baseline column was reflected incorrectly and needed to be corrected.

Page 62 - Paragraph 2.15.6 (Crime prevention): As this was a new initiative, the baseline and target were unknown. A realistic number needed to be reflected in future.

Page 62 - Paragraph 2.15.7 (Crime prevention): A new realistic target needed to be reflected.

Page 63 - Paragraph 2.17.3 (Traffic safety): It was commented that the results of these initiatives were not visible and not reflected in this report and needed to be included.

Page 64 - Paragraph 2.18.1 (Fire and emergency services): On enquiry, it was responded that the response time of 10 minutes was based from the time the call was received.

Page 64 - Paragraph 2.18.5 (Fire and emergency services): Concern was raised that many buildings still did not comply with municipal By-laws.

Page 65 - Paragraph 2.21.2 (Infrastructure development): Following discussions, it was agreed that contingent liabilities were on the increase and that steps needed to be taken to minimise legal action.

Page100 - Paragraph 3.1.2 (Economic growth and development): On enquiry, it was reported that the Boardwalk Casino was renegeing its contract to develop an International Conference Centre and that the MBDA had appointed legal counsel to pursue this matter. The Executive Director: Economic Development and Recreational Services undertook to approach the Gaming Board about this matter.

Page101 - Paragraph 3.1.5 (Economic growth and development): it was suggested and agreed that timeframes be investigated and provided, where possible.

Page 101 - Paragraph 3.1.6 (Economic growth and development): On enquiry, it was responded that the 'target' and 'actual' were the skilling of one hundred people.

Page102 - Paragraph 3.2.2 (Agriculture, SMMEs and Co-operatives): It was enquired what the sustainability and growth rate should be to take the programme to the next level. The Executive Director responded that co-operatives were in the process of being upgraded, with the involvement of the UDDI. Certain projects would not be supported until project appraisals had been finalised.

Page 102 - Paragraph 3.2.4 (Agriculture, SMMEs and Co-operatives): On enquiry, it was reported that a number of participants had not as yet received any training. The Chairperson requested that the report be amended to capture the actual situation, i.e. the KPI to remain the same, but to include detail to explain the actual totals.

Page 103 - Paragraph 3.2.5 (Agriculture, SMMEs and Co-operatives): It was suggested that as there was a significant variance in the statistics, relevant comments be included.

Page 103 - Paragraph 3.3.1 (Tourism development): The Executive Director: Economic Development and Recreational Services stated that the Tourism Business Plan must be aligned to the Tourism Policy and LED Programme. On enquiry, he responded that the NMBT should align itself to Council's policies and that the NMMU was in the process of drafting KPIs for NMBT.

Page 103 - Paragraph 3.3.2 (Tourism development): On enquiry as to how many co-operatives had been established, the Executive Director: Economic Development and Recreational Services reported that the African Cultural Village had not been proceeded with and that funding had been provided for the Backpackers Project.

Page 103 - Paragraph 3.3.3 (Tourism development): It was suggested that as there was a significant variance in the statistics, relevant comments be included.

It was stated that the indicators could not be defended, as the hospitality trade provided the statistics.

Page 104 - Paragraph 3.3.5 (Tourism development): It was felt that the baseline should reflect the measuring of all new events hosted.

It was suggested and agreed that the KPI should be redefined to indicate the progress made.

The Chief Operating Officer was of the opinion that spin-offs and key successes needed to be established.

**COMMITTEE RECOMMENDS**

That the recommendations and amendments proposed in the preamble above be actioned.

The meeting adjourned at 16:15 to be reconvened on 17 March 2010.

**ACTING CHAIRPERSON**

**MINUTES OF PROCEEDINGS OF ANNUAL REPORT OVERSIGHT  
COMMITTEE**

**(Meeting held 17 March 2010)**

- PRESENT:** Councillor B C Williams ( Acting Chairperson)
- Councillor N R Captain  
Councillor P B Lonake  
Councillor M Odayar  
Councillor Z J Seale  
Councillor M D Seti  
Councillor E Trent  
Councillor R V Williams
- ALSO PRESENT:** Acting Municipal Manager ( Mr E Ntoba )  
Executive Director : Corporate Services  
Executive Director : Budget and Treasury  
Executive Director : Special Projects  
Executive Director Public Health  
Acting Executive Director : Electricity and Energy (Mr M Bukula)  
Director : Office of the Speaker (Mr N Mqulwana )  
Director : Safety And Security (Mr A de Ridder)  
Assistant Director : Infrastructure and Engineering (Mr B Mortimer)  
Office of the Chief Operating Officer : Performance  
Management Practitioner (Z Mgengo)
- ABSENT:** Councillor H August (Apology)  
Councillor Z J Seale (Apology)  
Councillor N S Magopeni (Apology)

**CONTINUATION OF REPORT BY EXECUTIVE DIRECTOR :  
CORPORATE SERVICES**

**2. 2008/09 ANNUAL REPORT : CONTINUATION**

Concern was expressed over the non-performance in respect of Page 106, paragraphs 3.7.1, 3.7.2 and 3.7.3 regarding Military Veterans and Special Sector Report. The Executive Director: Economic Development and Recreational Services responded to the concerns. It was agreed that this matter needed to be politically driven, as it was a political mandate. It was noted that in respect of paragraph 3.7.2 that the Province and the Municipality had granted an amount of R500 000 each for this project. It was reported that funding would be made available for this project.

Page 107 – Paragraph 3.10.1 (Heritage and Museums). The Chief Operating Officer stated that a multi-party Task Team would be established to attend to this matter and make the necessary recommendations. The legal opinion was considered and would be included in the proposed Heritage report. A pilot legal process in respect of five projects had recently commenced.

On enquiry, it was advised that litigation was currently ongoing on the question of failing to report on issues such as heritage, illegal dumping, etc. The Chairperson stated that the reason for information on heritage and other issues not previously reported on must be taken up by the Acting Municipal Manager and Legal Services to prevent similar incidents occurring in future and be included in the Oversight report.

On enquiry, the Chief Operating Officer stated that a Service Provider had been appointed to identify and grade the heritage sites in terms of National Heritage Legislation and that heritage was not the competency of the Municipality, but of the Heritage Council. The Executive Director: Economic Development and Recreational Services stated that it had been agreed that the Housing and Land would take the issue of heritage forward.

Page 123 – Paragraph 4.1.2 of KPE 4.1 (Revenue Enhancement and Customer Care): it was felt that the percentages provided were misleading and had to be redefined to reflect the real situation. It was suggested and agreed that the write-offs should be shown against provision. The Chief Financial Officer undertook to split it into the IDP in future.

Page 123 – Paragraph 4.1.4 of KPE 4.1 (Revenue Enhancement and Customer Care): the percentages on collection of traffic fines were queried. Furthermore, the collection of traffic fines should be measured against the national average and be reflected as a KPI under Traffic Services. The total income of fines should be reflected in a report outside of the Oversight Process, with appropriate recommendations, which must be included during the IDP process.

Page 123 – Paragraph 4.2.1 of KPE 4.2 (Supply Chain and Broad-based Economic Development): it was stated that the current Supply Chain Management Policy fell short in respect of transparency, which could potentially result in legal conflict and legal challenges. This issue was lacking in the National Policy and it was recommended that an application be made to National Treasury to have the Policy amended accordingly. Furthermore, the causes for the stalling of certain tenders needed to be established.

Page 124 – Paragraph 4.3.4 of KPE 4.3 (Cash and Risk Management): it was agreed that the 'baseline' and 'actual' credit rating as well as 'target' rating being strived for should be reflected in the report.

Page 124 – Paragraph 4.4.1 of KPE 4.4 (Budgeting and Financial Accounting): on enquiry, it was stated that a balanced budget basically meant that expenditure must match financial resources. The budget had to comply with the National Treasury standard.

Page 125 – Paragraph 4.4.4 – On enquiry, it was confirmed that a revised priority system had been implemented and that it would become apparent when reflected in the IDP.

Page 125 – Paragraph 4.5.1 – On enquiry and following discussion, the Executive Director : Budget and Treasury responded that his target was based on the budget process.

The Chairperson commented that it was important to investigate whether the current organogram and Staff Structure supported the IDP and it was agreed that the Executive Director: Corporate Services be tasked with this matter.

It was enquired why the Municipal Infrastructure Grant, particularly in respect of MURP, Helenvale, equitable shares and most of the grants reflected on pages 130 to 135 had not been spent. The Chief Financial Officer explained that those grants that had not been spent were conditional grants in terms of Circular 42.

Page 128 – Disclosure of grants and subsidies in terms of Section 123 of the MFMA, 56 of 2003 for the year ended 30 June 2009.

Following discussion, it was agreed that the relevant directorates must submit report-backs on all underspending on conditional grants. It was reported that equity shares were spent on ATTP, which is a relief on the Rates funds. The Chief Financial Officer undertook to submit a co-ordinated report on the underspending by indicating the balance on 30 June 2009 and the monies spent to date. It was agreed that the question of the delay in appointing a coordinating officer be reported on.

Page 138 - Following discussions, it was agreed that the Committee needed to drive those challenges reflect in bullet points 1, 2, and 4 under intergovernmental challenges of the Annual Report as a matter of urgency.

The Chief Financial Officer stated that the IDZ was using large quantities of water and electricity, which constituted an enormous burden on the Municipal Infrastructure. It was generally agreed that the National Government needed to also take responsibility for the projects it had driven.

Page 139 – Paragraph 5.1.1 (Communication and Public Participation): the Chairperson stated that the Communication Plan was not reflected in the Municipality and it was suggested that the plan may be a poor one in the first instance. The results expected should be reflected and identified in the KPI. It was reported that there was currently no publication of key service delivery issues as the *Ubuntu* Magazine was not active; however, it was confirmed that a tender would go out shortly for the production of the magazine. It was reported that the Ward-based newsletters needed to be co-ordinated, as their production was not very consistent. It was also necessary to identify communications challenges and gaps.

Page 140 – Paragraph 5.1.8 (Communication and Public Participation): it was generally felt that the public participation programme was not well planned and was implemented on an *ad hoc* basis. The Chairperson pointed out that the public participation plan, although completed, had not as yet been submitted for comments and was still in draft form.

The Chairperson commented that the public needed to have proper and comprehensive responses and feedback regarding their concerns over service delivery. It was noted that the minutes taken of the public participation meetings had not been circulated or made available. Furthermore, all directorates are affected by the public participation programme. The Executive Director: Corporate Services reported that the recommendations in respect of public participation made at portfolio committee level still needed to be reported to the Oversight Committee.

Page 142 – Paragraph 5.2.6 (Internal Control): it was felt that other issues needed to be identified and recorded in the comments column. Furthermore, the Internal Audit and Risk Assurance Sub-directorate needed to record the number of cases in order to measure its reduction.

Page 142 – Paragraph 5.2.7 (Internal Control): following discussion, it was agreed that fraud case statistics be included as baseline, target and actual and dealt with by the Chief Operating Officer.

Page 143 – Paragraph 5.3.1 (Legal Services): it was stated that poor contract management was also linked to the section referring to good governance, i.e. delays experienced in respect of litigation (Van Stadens and Beach View). Concern was expressed over three year delays to legally resolve issues i.e. the Blue Horizon Bay issue.

Page 144 – Paragraph 5.3.8 (Legal Services): it was agreed and resolved that the statistics were incorrectly reflected and should be adjusted.

Following discussion, it was agreed and resolved that officials must compile expenditure on lost cases and use it as a benchmark.

Page 144 – Paragraph 5.4.1 (Councillor Support and Oversight): it was stated that the Councillor Support Plan did not address the key results and needed to be attended to.

Page 146 – Paragraph 5.6.1 (Special Sector Development): the Chairperson questioned to what extent the mainstreaming plan had been approved for implementation.

Page 146 – Paragraph 5.6.2 (Special Sector Development): the Chairperson questioned to what extent the Integrated Youth Development Plan had been approved for implementation.

Page 147 – Paragraph 5.8.2 (Facilities Management): it was reported that no political consensus had been reached on the proposed site for the Council Chambers, although various sites had been identified; the report should be amended to include the aforementioned.

Page 174 – Paragraph 6.3.4 (EPWP and Poverty Alleviation): it was again commented that the percentages mentioned were incorrect and not a true reflection of reality. The baseline should reflect the actual totals at the point in time. The Chief Financial Officer provide a technical explanation on the subject of qualifying households to national norms. It was agreed that an explanatory note was needed in the KPI to highlight issues such as non-qualifying and funding shortages.

Page 175 – Paragraph 6.4.3 (2010 FIFA World Cup): it was requested that the Committee be informed that the recreational water had been tested and found to be acceptable. The overall funding provided should be reflected in the variance and comments column and the challenges, if any, should be highlighted.

Page 176 – Paragraph 6.4.8 (2010 FIFA World Cup): it was enquired why the sustainable model for the management of the multi-purpose stadium had not been completed, as the stadium operator had been appointed. The Acting Municipal Manager clarified the situation, explaining that a short-term contract had been concluded, with the option to renew.

Page 664 – Number of Ward Committee Meetings held

It was agreed that a recommendation and/or note be formulated on what had not been accurately reported.

Page 672 – Motherwell Golf Course : Feasibility Study

On enquiry, it was reported that the pre-feasibility study had been finalised and that the feasibility study would commence shortly.

Page 751 - Blue Horizon Bay Bulk Stormwater

Following discussion, the Executive Director: Infrastructure and Engineering undertook to submit a report back in this regard, to be attached to these minutes.

Walmer Fountain Road Upgrade

It was stated that the relevant budget and plan were in place; however, to date no progress had been made. It was undertaken to submit a report in this regard as an attachment to the minutes.

#### **COMMITTEE RECOMMENDS:**

- (a) That the Communication Plan be interrogated to determine its sustainability in line with expected results and that suitable KPIs be identified.
- (b) That the Ward-based newsletters be co-ordinated.
- (c) That communication challenges and gaps in the policy be identified.
- (d) That the recommendations in respect of public participation that served before the Portfolio Committee be submitted to the Oversight Committee.
- (e) That the question of fruitless expenditure due to ad hoc and changed arrangements and cancellations, etc. in respect of Public Participation, be addressed.
- (f) That the information reflected in paragraph 5.1.8 of the report in respect of the Community Participation Programme be suitably amended.
- (g) That full feedback be given to the community and Councillors in respect of the public participation meetings.

- (h) That an investigation be made to minimize delays in respect of litigation, poor contract management and contingent liabilities. e.g. Beachview and Van Stadens projects.
- (i) That firm recommendations including timeframes be developed and that the failure of the Councillor support plan be investigation (5.4.1).
- (i) That the Executive Director : Infrastructure and Engineering submit a progress report in respect of Blue Horizon Bay : Bulk Stormwater (See progress report attached as **Annexure "A"** subsequently submitted)
- (k) That the Executive Director : Economic Development and Recreational Services submit a progress report in respect of the Walmer Fountain Road Upgrade (see progress report attached as **Annexure "B"** subsequently submitted).
- (l) That the recommendations, actions and amendments proposed in the preamble above, be attended to.

The meeting terminated at 14:30.

**CHAIRPERSON**

**ANNEXURE "B" : MINUTES OF PROCEEDINGS OF PUBLIC PARTICIPATION  
MEETINGS (2008/09 ANNUAL REPORT)**

**MINUTES OF PROCEEDINGS OF MAYORAL OUTREACH PROGRAMME  
MEETING HELD AT NONGOZA JEBE (FORMERLY GREAT CENTENARY HALL) ON  
TUESDAY, 23 FEBRUARY 2010 AT 17:00**

**PRESENT:** As per attendance register.

**OPENING AND WELCOME**

At the request of the Chairperson, the meeting was opened with a prayer, whereafter he declared it duly opened and welcomed all present. He then outlined the programme of the meeting and stated that the struggle would continue as long as the following was not equally provided for and shared:

- Housing
- Roads
- Electricity
- Economy

The Chairperson then called upon Councillor N Mohapi to state the objectives of the meeting.

Councillor N Mohapi declared that the Executive Mayor would present his 100 days programme and beyond. Further, he would report on the Annual Report, inviting members of local communities to peruse it and to make additions thereon. She added that, in the final analysis, the report should be owned by the communities.

Moving on, Councillor N Mohapi said that in the month of February 2010, we should all commemorate the month in which Dr Nelson Mandela was released 20 years ago. She stated that the Speaker of Council, Councillor H M Sauls-August would introduce the new political leadership in the Nelson Mandela Bay Municipality.

Councillor Tutu, who chaired the proceedings of the meeting, called upon the Speaker to come forward and introduce the political leadership, which she duly did, and went on to also introduce the administrative leadership of the Nelson Mandela Bay Municipality present at the meeting.

After the aforementioned, the Chairperson called upon Councillor M D Seti to present the Annual Report to the people.

Councillor M D Seti stated that he would summarise the report, and that the detail contained therein would be dealt with by the individual Ward Councillors at Ward level meetings.

He informed the meeting that the report was for the 2008/09 financial year, and that the report should be received by Council within seven months of the end of the financial year. Council must then approve the report within a two-month period. Once the report has been accepted in January of each year, same should be scrutinised. It must then be publicised and be made available on Council's website, libraries and Councillors' offices.

He further reported that the Oversight Committee of Council, led by the Speaker of Council, comprised 10 members. The said Committee should refer its findings on the report to Council in March of each year. There were sections in the report that dealt with service delivery.

Councillor M D Seti disclosed that the Auditor-General's report gave this Municipality an unqualified audit insofar as financial statements were concerned, which was a major achievement occurring two years in succession.

Concluding his report, the people present were informed that their Municipality had received a national award for being the cleanest city in the country.

Councillor M D Seti urged people to comment and provide feedback on the Annual Report.

At this stage, the Chairperson also made an appeal on people to make their comments on the Report, but before that, Councillor B C Williams came forward and expanded in detail on the Report. The information that she provided, included, amongst other things, the following:

- 7 000 employees in different scales/grades employed permanently
- 40 graduates underwent internships
- 135 residents participated in skills development
- 41 employees completed learnerships in water
- 98% of households benefit from Assistance to the Poor (ATTP) Scheme

It was emphasised that those households who did not receive the aforementioned ATTP services, should call in at the offices of Ward Councillors to ascertain whether they qualified or not.

With respect to integrated human settlements, the Chairperson said that Council had yet to improve on this area. On the elimination of the bucket system, she acknowledged that there were some areas that were still using the bucket system.

Raising the issue of illegal dumping, she acknowledged that some areas were dirty because of this problem. Safety and security also needed to improve.

Turning to the issue of local economic development, she disclosed that 56% of tenders were awarded to the previously disadvantaged groups. Approximately 108 jobs had been created through the Expanded Public Works Programme.

Councillor B C Williams stated that Ward Councillors would continue to report on the detail of the Annual Report at their meetings.

## **QUESTIONS AND/OR COMMENTS**

The Municipality was urged to do away with utilising employment agencies.

It was claimed that the Municipality was going to writeoff Telkom arrear electricity accounts. It was felt that in that case, residents' arrears should also be written off.

It was confirmed that the relocation of Chris Hani residents had been delayed.

One resident from the above area complained that, their buckets had not been removed for a period of three weeks by the Municipality.

The wisdom of removing residents from shacks to settle them in other shacks was questioned, as this move resulted in learners and the sick suffering, because schooling was disrupted and the sick struggled to get to clinics, if there were no clinics in the new area.

The effectiveness of the publication of learnerships was queried, as some interested qualifying individuals did not know how to go about applying.

Regarding co-operatives, one resident alleged that they were not sustainable.

The general dirty and unkempt state of New Brighton was raised as cause for concern.

A request was made that the Mendi building be upgraded by Council and used as a body building gymnasium.

A resident from Ward 15 complained about employment practices adopted by Spar in Sheya Kulati Drive, which favoured coloured people over African people in the said area. Further, she requested that the current payment period of the municipal account be amended from 21 days to a date more convenient for all residents.

Residents from Ward 25 requested that a specific percentage of youth be targeted for skills development by the Municipality.

The Chairperson then called on the Executive Mayor, Councillor Z Wayile, to address the residents.

The Executive Mayor declared that he would make a brief statement, focusing on some of the issues raised at this meeting by residents.

He said that the report which had been provided was not perfect in all respects. However, attempts had been made by the Government to address some of the challenges. The Executive Mayor stated that the State President, during his State of the Nation address, declared this year as the year of action.

Turning to budgetary allocation, he informed those present that after the Minister of Finance had made his budget speech, the following allocation was made:

- 60% of the budget was allocated – National Government
- 30% of the budget was allocated – Provincial Government
- 10% of the budget was allocated to municipalities

The Executive Mayor said that the aforementioned formula of funding municipalities had to be changed. Once that had been achieved, the Municipality would be able to address some of the backlogs. The Industrial Policy would be used by the Government to employ unemployed people.

Elaborating, he stated that the Deputy President had been tasked to look into Broad-based Black Economic Empowerment, as only a handful of people benefited from this policy.

Clarifying the issue of Intergovernmental Relations, the Executive Mayor stated that health and housing were the competencies of the Province, although residents would demand that the Municipality should provide them with these services.

The Executive Mayor reminded the people present that the new political leadership was installed on 25 November 2009.

With regard to Budget management, he stated that spending was still too slow. However, 80% of the Budget had been allocated to the previously disadvantaged communities of Nelson Mandela Bay. He emphasises that interaction between local communities and the Council was very important.

Regarding economic development, the Executive Mayor stated that a rural Development Strategy would be developed in order to deal with the influx of people from the rural areas. Nationally, the unemployment rate stood at 30%. The unemployment rate in respect of the youth stood at 70%. He confirmed that in March 2010, an economic summit would be held to craft responses to the economic challenges reflected herein.

Further, the Executive Mayor stated that Usasa had a programme to help the needy. The Municipality would set aside some funds for ±18 months to provide soup kitchens for the poor and unemployed of Nelson Mandela Bay. He said that all sectors of the economy should be involved in the creation of employment, but that some of the companies had introduced robots and were working through employment agencies.

Still on the issue of economic development and job creation, the Executive Mayor declared that there was a move towards using co-operatives in the Province. The Municipality should ensure that there were co-operatives which dovetailed with it from the Province.

Turning to the issue of water, he informed the meeting that, because of the drought, there was very little water in the dams. People should pray for rain and weather scientists should also undertake proper research. He urged the community members present at this meeting not to take the campaign to save water lightly.

The meeting was informed that the National Government wanted municipalities to devise long-term plans. The Executive Mayor stated that municipal services that needed to be rendered in the townships should be audited in order for the Municipality to determine the amount and level of services needed. This programme had the potential of creating sustainable jobs.

Regarding clinics, the Executive Mayor informed the residents that Dr Pillay had been appointed to investigate the capacity of clinics to take in patients and service communities.

Regarding the issue of environment, the Executive Mayor encouraged the planting and maintenance of trees.

Moving on, he stated that the Expanded Public Works Programme (EPWP) required co-operation between youth and women.

Regarding the skilling of young people, the Executive Mayor stated that the challenge lay in the education system, starting from Grade R up to Grade 12. The Executive Mayor reported that VW, Coega and other Setas had Training Centres to train the youth and added that the Province and the corporate sector should also get involved in this vital area.

With regard to the Credit Control Policy, the Executive Mayor stated that this Policy needed to be reviewed and simplified. Councillors and officials should be evaluated.

Residents were informed that a Trust Fund had been established, which would work with government and the corporate sector.

Regarding sport and recreation facilities, the Executive Mayor reported that all wards had been audited in this respect and that a Mayoral Cup had been established for which sporting codes could compete. He disclosed that there was a long-term plan to establish a recording studio. Music legends would be used as a resource and events would be performed by homegrown artists.

Speaking on the 2010 FIFA World Cup, the Executive Mayor appealed to everybody to support the event. He declared that the Metro Police would strengthen security. The attendees were told that the FIFA By-laws superseded those in operation in the host city. The Executive Mayor confirmed that the stadium would be officially opened on Sunday, 28 February 2010 whereafter it would be handed over to FIFA and be returned to the Municipality after the event.

In conclusion, the Executive Mayor stated that a municipal master plan on service delivery would be reported back to the communities and that Councillors would report back to their wards on all the issues raised at this meeting. Finally, the Executive Mayor thanked all present for their attendance and participation.

The meeting terminated at 20:30.

**CHAIRPERSON**

**MINUTES OF PROCEEDINGS OF MAYORAL OUTREACH PROGRAMME –  
UITENHAGE INDOOR SPORTS CENTRE**

**(Meeting held 24 February 2010)**

**PRESENT:** As per attendance register.

**1. OPENING AND WELCOME**

Councillor J Mali explained the proceedings and requested Councillor P Terblanche to welcome all present.

**ANNUAL REPORT**

Councillor R Williams provided some statistics reflected in the Annual Report and highlighted the Assistance to the Poor Policy and Ward-based Programme of the Municipality. An abbreviated version of the Annual Report was circulated at the meeting.

**REQUEST FOR COMMENTS/INPUTS**

Councillor Mali invited comments/inputs from the floor. The following issues were raised:

- The implementation of economic programmes involving the youth and women should receive attention.
- A representative of the ANC Branch in Ward 49 requested that the R9 m allocated to the Ward be transferred to the branch in fear that the funds would be lost if not spent by the end of the 2009/10 financial year. Councillor Joseph, the current Ward Councillor, was allegedly not performing well or fulfilling his duties. They requested officials to assist them to spend the money on their preferred projects.
- A representative from Ward 45 requested that their community be involved in EPWP projects. There was a general lack of progress in respect of housing delivery. Ward-based Cleaning projects should also be implemented.
- General lack of response by Ward Councillors and officials to the concerns raised by communities.
- Lack of progress with the construction of houses in Ward 30.
- Disabled persons should be afforded opportunities in economic development.
- There was a general lack of performance by contractors.
- Ward 49 requested that a free education system be introduced.
- Wards 48 and 49 raised concern over the lack of houses.
- Concern was raised over the service levels in Uitenhage and the following matters in particular:

- stray animals
- allocation and spending of conditional grants
- illegal dumping
- quality of water

**STATEMENT BY EXECUTIVE MAYOR**

The Executive Mayor made his statements.

The meeting terminated at 20:35.

**CHAIRPERSON**

**MAYORAL OUTREACH – MOLLY BLACKBURN WARD CLUSTER  
(WARDS 1 – 11 AND WARD 39)**

**(Minutes of meeting held on Tuesday, 2 March 2010 in Selley Hall,  
Feather Market Centre, at 18:00)**

**1. OPENING**

Councillor O Mgwanza, Portfolio Councillor : Corporate Services, acted as Chairperson.

Councillor J S G Davis made opening statements in which he, *inter alia*, welcomed the appointment by Executive Mayor Z Wayile of a multi-party Task Team for the rehabilitation of neglected historic buildings throughout Nelson Mandela Bay, and also appealed to the Mayor to re-employ and deploy the Omega Security Company in the central area of Port Elizabeth.

The Deputy Executive Mayor, Councillor N Sihlwayi, then outlined the objectives of the meeting, namely to discuss the 100 Days Programme of the Executive Mayor; to report on the Municipality's 2008/09 Annual Report; to consider the 20<sup>th</sup> anniversary of the release from prison of former President Nelson Mandela; and to formally introduce the Executive Mayor and his team of Portfolio Councillors.

**2. MUNICIPALITY'S 2008/09 ANNUAL REPORT**

Councillor L J de Villiers, as a member of the Oversight Committee, gave a brief synopsis of the 800-page Annual Report. He stated that the Annual Report provided a snapshot of the performance of the Municipality over the past year.

He pointed out that there were successes, such as the unqualified audit report and the construction of the new Stadium, as well as the delivery of free basic services to the poor. However, he also stated that the new multi-party Oversight Committee had studied the report very thoroughly, and had found service delivery to be lacking in, amongst others, the areas of housing, the bucket eradication programme, the nurse-to-patient ratio in clinics and a 24-hour traffic service.

He added that the Auditor-General had found that only 40% of the internal auditing functions of the Municipality had been performed, and stated that management was to be held responsible for the rectification thereof and for other shortcomings.

**3. QUESTIONS AND COMMENTS REGARDING ANNUAL REPORT**

At this stage, Councillor Mgwanza invited questions from the audience on the Annual Report. Some of the more salient comments and questions were the following:

- The fact that the Oversight Committee was constituted on a multi-party basis was welcomed.
- A member of the audience wanted to know the exact cost of presenting the Bay Stars Awards.
- There was a complaint from young people who wanted like to buy property in Central, but were having problems with the flats they were currently renting.
- It was stated that the illegal dumping of refuse was a scourge in the poorer areas. It was also pointed out that in terms of the current policy, refuse was collected every week from the more affluent areas, but only once every two weeks from the poorer areas. The question was raised how this anomaly was going to be addressed.
- The lack of proper housing was a huge problem, stated one resident. She had discussed the matter with her Ward Councillor, and he had informed her that red tape was hampering him.
- The question was raised why there were no municipal service centres in Port Elizabeth's western suburbs.
- The elderly with small pensions living in homes for the aged were battling to survive financially, as increased rates and tariffs were leading to rent increases. When they were ill, there was no transport for them. An appeal was made for help in this regard.
- A member of the audience stated that an informal settlement of about 200 people had settled in Ward 39, where they lived without any municipal services. They were occupying private land, but the owner of the land could not be tracked down yet.
- The plight of the people of Zosa Street was raised. It was stated that the Zosa Street community had been waiting for eight years for proper houses to be built for them. These residents were forced to live in filth, and diseases were rife. An appeal was made to the Executive Mayor to visit Zosa Street to see the conditions at first hand.

(**Note:** The Speaker explained to the audience that the Executive Mayor was not in the position to respond to all the questions, as his focus was currently on matters contained in the Annual Report.)

### **3. ADDRESS BY EXECUTIVE MAYOR : PROGRESS REPORT ON 100 DAYS PROGRAMME**

The Executive Mayor stated that Nelson Mandela Bay was currently a "terrain of struggle" where various challenges had to be addressed, some of which had been inherited from the past. But there were also external challenges, like the global economic recession, that had led to many job losses, also in South Africa. Challenges therefore had to be seen in a broader context than just the current municipal environment.

The Executive Mayor called for a “moral renewal” in dealing with the challenges, and in this regard made the following points:

**Drought:** A very serious drought was being experienced in the Province and in Nelson Mandela Bay in particular. Yet, many people still did not conserve water. All residents should be the “eyes and ears” of the Municipality to report burst pipes and any other situation where water was being wasted.

**Service delivery protests:** Turning to the recent protests against poor service delivery in Nelson Mandela Bay, the Mayor stated that there were many people in the NMBM who had sold their RDP houses, and had now joined the protesters. He acknowledged that they had the right to protest, but stated that protests should not involve the destruction of property.

**Need for effective service delivery:** The Mayor pointed out that President Zuma, in his State of the Nation address, had stated that “effective” service delivery must be the goal of government. Public service officials should keep in mind that effective service delivery towards the people whom they served, was their responsibility.

**“Doing things differently”:** The NMBM would this year not have a State of the Metro address, as it was deemed a far greater priority to save every cent to fast-track service delivery. Saving funds, wherever possible, was part of the new mindset of “doing things differently”.

**Lack of sufficient progress made since 1994:** Referring to the release from prison of former President Nelson Mandela twenty years ago, the Mayor asked what progress had been made since 1994.

**Change needed to address inequality:** He identified as a major inequality that still existed in the form of the huge income gap between rich and poor. He stated that rules from previous dispensations still directed the way in which business operated. This legacy should be changed, as part of an overall transformation.

The Executive Mayor stated that it had been decided at national government level that by the end of March 2010, each local authority had to have its own Turnaround Strategy in place.

#### 4. EXECUTIVE MAYOR’S RESPONSE TO QUESTIONS

The Executive Mayor proceeded to respond as follows to some of the earlier questions from the audience:

**Bay Stars Awards:** This was the first initiative of its kind by the Municipality, and was intended as an incentive for employee excellence. The Municipality would undertake further research to find the best model for the initiative, but would in the interim continue with the project.

**Neglected rental properties:** The Municipality was not targeting any specific property owner, but would not tolerate the development of slum conditions. It would investigate properties all over the NMBM area, and act with speed against offenders.

**Illegal refuse dumping:** A Task Team would be established to look into ways to address this problem. It was also very important that the existing by-laws should be enforced. However, communities should, if possible, not allow dumping trucks to come into their areas, if possible, and should also guard against littering themselves.

**Refuse removal:** The Executive Mayor stated that the practice of weekly refuse removals in some areas, but fortnightly removals in others, was being addressed. He also objected to the fact that the Vuna Awards were awarded to the cleanest "city", whereas the award should be about the cleanliness of the entire "Metro".

**Houses/Zosa Street:** The Executive Mayor stated that the inability of directorates to spend their allocated budgets for the financial year posed a serious challenge to delivery. He appealed to officials to come forward with creative thinking and benchmarking, by identifying and applying the best practices of others in their field.

He said that all the Portfolio Heads would visit housing projects and issue reports, and relevant portfolios would intervene, where necessary. However, Ward Councillors should also play their role in their wards by being aware of, and reporting on, anything hampering effective delivery.

He also stated that the situation in Zosa Street would receive serious attention.

**Indigence Policy/Economic Summit:** It was announced that in view of the high rate of unemployment, an Economic Summit would be held at the end of April 2010. A review of the Procurement Policy was also envisaged.

**Youth programmes/New initiatives:** The Executive Mayor believed that Sport, Arts and Culture had to be managed by a stand-alone Directorate, offering constructive initiatives for the youth, so that social ills could be combated. In this regard, he also called upon the private sector for financial assistance in redressing past imbalances.

He announced the following initiatives for the youth:

- The launch of a Soccer Mayoral Cup for the Northern Areas.
- Plans for a recording studio in Nelson Mandela Bay to exploit local musical talent.
- Plans to campaign for a Super 15 franchise, and to attract events to the new Stadium.

**Service centres in the western suburbs:** Steps would be taken to provide such services, as municipal services should be available in all NMBM areas.

**Decentralisation of the Mayor's Office:** The Mayor's Office would be decentralised by the establishment of a satellite office in the Northern Areas. The Executive Mayor would from time to time be at this office, where residents would be able to consult with him.

**Fighting corruption:** The Executive Mayor stated that if anyone knew about corruption taking place within the Municipality, and could provide credible information about it, he would act against it.

**5. FORMAL INTRODUCTION OF MAYORAL LEADERSHIP**

The members of the Mayoral Committee who were at the meeting were formally introduced to the audience.

**6. CLOSURE**

Councillor D Biddulph thanked all for attending, and thanked the Executive Mayor for this address. He wished the Mayor and his team well.

The meeting terminated at 20:30.

**NOTES ON MAYORAL OUTREACH : KUYGA COMMUNITY HALL :  
3 MARCH 2010**

**PRESENT:** As per attendance register

**OPENING AND WELCOME**

Councillor Mfunda welcomed all present at the meeting and outlined the proceedings.

**ANNUAL REPORT OVERVIEW**

Councillor Seti provided a brief overview of the Annual Report and stated that the Municipality had received an unqualified report from the Auditor-General for the period 2008/09.

Councillor Captain referred to the Ward-based Programme and the benefits thereof to communities. The Programme *inter alia* allowed communities to be more involved in the planning and spending of funds earmarked for their wards.

**COMMENTS/INPUTS BY THE COMMUNITY**

- There were too many informal housing areas, which generated and promoted poverty and unemployment.
- General discrimination by contractors because of their failure to employ people from the area where the work was being done.
- Non-delivery of housing in the Seaview area (more than 25 years).
- Legal process to identify land for housing was taking too long.
- General lack of electricity in the Seaview informal area.
- High crime rate in the Kuyga area.
- Shortage of staff at the Kuyga Clinic.
- Absence of a library in the Kuyga area.
- Lack of transport to schools for children from Kuyga area to attend school.
- The Fitches Corner informal area was built on a cemetery.
- Awaiting the legal process to be completed in order to commence with the building of houses.

**ADDRESS BY EXECUTIVE MAYOR**

The Executive Mayor addressed the meeting.

The meeting terminated at 20:30.

**CHAIRPERSON**

## **MAYORAL OUTREACH AT HENRY FAZZIE COMMUNITY HALL (KWADWESI)**

**(Community Outreach meeting held on 4 March 2010)**

### **1. OPENING**

Councillor A Mfunda requested a community member to open the meeting with a short prayer. Thereafter, the session was formally declared open. Councillor A Mfunda outlined the objectives of the Outreach Programme as follows:

- a) to present the NMBM's 2008/09 Annual Report
- b) to outline the Executive Mayor's 100 Days Programme and Plan
- c) to introduce the Executive Mayor and the Mayoral Committee to the communities of Nelson Mandela Bay

### **2. PRESENTATION OF ANNUAL REPORT: COUNCILLOR N R CAPTAIN**

Councillor N R Captain presented the highlights of the 2008/09 Annual Report, which were circulated to the public, emphasising that the NMBM had received an unqualified audit report from the Auditor-General for the review period.

Councillor N S Magopeni seconded the presentation of the 2008/09 Annual Report by Councillor N R Captain.

### **3. ISSUES RAISED BY COMMUNITIES IN TERMS OF SERVICES DELIVERY AND CHALLENGES**

#### **3.1 KwaDwesi Challenges**

- a) The paving was hard for the aged to walk on and could potentially be hazardous to them.
- b) The youth felt that they were not sufficiently equipped in terms of skills development and that the EPWP did not benefit them in their communities, as EPWP meetings were held only in the predominantly white areas.
- c) Residents felt that the ATTP should be increased from R2 000,00 per household to at least R3 500,00 and reviewed yearly thereafter. In addition, the billing system should be revisited.
- d) Crime in the Kwa-Dwesi area was escalating.
- e) Consultation needed to be done with taxi associations regarding the picking up of passengers in the morning in Mhlolokotshane Street
- f) Tendering process were only enriching those who were already rich – the poorest of the poor did not benefit.
- g) Upgrading of the sewerage drain – leaking from Khwalo Supermarket area across the river should be addressed as a priority, as it posed a health hazard.
- h) Municipal employment system was biased towards our youth
- i) Ambulances services response time was poor and the KwaDwesi Clinic was overloaded with patients, as there was no clinic to cater for the surrounding areas.
- j) Some municipal officials in the Treasury Section were corrupt.

- k) The Municipality needed to make an arrangement with the banks, as some peoples houses were repossessed when the bread winner passed away, which increased the number of bond houses.
- l) Open space next to the Ziyabuya needed to be maintained, as it posed a health hazard and could also serve as a hotspot for crime.

### **3.2 KwaDwesi Extension Challenges**

- a) The Police Station was not managed properly, and an office for the CPF should be accommodated in the police station.
- b) Houses that were not built properly needed to be rectified (some had big cracks).
- c) A high level of poverty was being experienced in the area.
- d) Registration fees for previously disadvantaged new business should be scrapped, as they could not afford the required fee.
- e) Mzingisi Development Trust contract should be terminated.

### **3.3 Westville Challenges**

- a) High-mast lighting should be installed in the area, as darkness aided and abetted criminals.
- b) Accessibility by emergency vehicles to the houses was problematic, due to the fact that there were no tarred roads. The situation was especially bad on rainy days.
- c) The community felt that they needed a Councillor's office in their area, even if in a container and that access to use a fax and photocopier machine should be provided for them.
- d) A clinic needed to be built for the area, as the current mobile clinic did not cater for all ailments experienced in the area.
- e) The community was experiencing a high level of unemployment and poverty.

## **4. REMARKS BY EXECUTIVE MAYOR**

The Executive Mayor introduced the Mayoral Committee, Councillors and the officials present to community.

## **5. CLOSURE**

Councillor A Mfunda thanked the community for attending. The session was ended with a short prayer and adjourned at 21:45.

**ANNEXURE "C" : THE ADVERTISEMENTS OF THE OVERSIGHT  
COMMITTEE MEETINGS AND INVITATIONS TO THE PUBLIC TO  
PARTICIPATE**



**NOTICE OF MEETINGS OF ANNUAL REPORT OVERSIGHT COMMITTEE /  
2008/09 ANNUAL REPORT OPEN FOR INSPECTION**

The 2008/09 Annual Report of Nelson Mandela Bay Metropolitan Municipality was tabled in Council on 25 January 2010. The report was referred to a multi-party Oversight Committee to assess and evaluate the performance reflected in the Annual Report.

Notice is hereby given that meetings of the Council's Oversight Committee have been scheduled as follows:

<b>DATE</b>	<b>TIME</b>	<b>VENUE</b>
Monday, 1 February 2010	09:00	Conference Centre, (Old Wool Exchange Building), Military Road, Port Elizabeth
Tuesday, 9 February 2010	09:00	Conference Centre, (Old Wool Exchange Building), Military Road, Port Elizabeth
Tuesday, 23 February 2010	09:00	Conference Centre, (Old Wool Exchange Building), Military Road, Port Elizabeth
Thursday, 4 March 2010	09:00	Conference Centre, (Old Wool Exchange Building), Military Road, Port Elizabeth
Thursday, 11 March 2010	09:00	Conference Centre, (Old Wool Exchange Building), Military Road, Port Elizabeth

Members of the public are welcome to attend and observe the proceedings of the Oversight Committee during the above meetings.

Furthermore, the Nelson Mandela Bay Metropolitan Municipality is inviting comments from the public on its 2008/09 Annual Report. Copies of the Report lie open for inspection at all municipal libraries and customer care centres, as well as on the municipal website: [www.nelsonmandelabay.gov.za](http://www.nelsonmandelabay.gov.za). Any comments on the Report must be submitted to the Office of the Municipal Manager (Attention: Chief Operating Officer) at PO Box 116, Port Elizabeth 6000; or fax: 041 5054514; or e-mail: [jwait@mandelametro.gov.za](mailto:jwait@mandelametro.gov.za) by not later than **FRIDAY, 26 FEBRUARY 2010**.


 nelson mandela bay  
MUNICIPALITY

**IN HONOUR OF 20 YEARS OF TATA MADIBA'S RELEASE FROM PRISON AND HIS FIGHT FOR FREEDOM AND DEMOCRACY**

# **MAYORAL OUTREACH PROGRAMME**

**Come and make your input:**

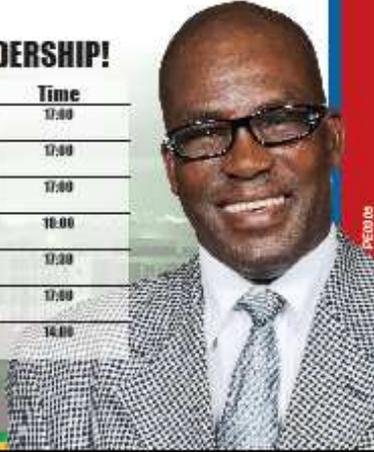
- Annual Report
- Mayor's 100 days programme
- IDP and Budget for 2010/11

**GET TO KNOW YOUR POLITICAL LEADERSHIP!**

Date	Venue	Time
Tuesday, 23 February 2010	Nangaza Jobe Hall, New Brighton	17:00
Wednesday, 24 February 2010	Uitenhage Indoor Sports Centre	17:00
Thursday, 25 February 2010	George Butha Community Hall, KwaMashu/Booysebosch Park	17:00
Thursday, 2 March 2010	Solly Hall, Feather Market Centre, Central	18:00
Wednesday, 3 March 2010	Kuyasa Community Hall	17:00
Thursday, 4 March 2010	KwaDwesi Community Hall	17:00
Sunday, 7 March 2010	NO 2 Stadium, Motherwell	18:00

Ref. no (Vol) 148(04/30)

**LET US WORK TOGETHER TO MAKE THIS YEAR OF ACTION A SUCCESSFUL ONE FOR OUR COUNTRY**





### MAYORAL AND OVERSIGHT COMMITTEE PROGRAMME

During the period 23 February to 7 March 2010, the Executive Mayor, Mayoral Committee and the Council Oversight Committee will embark on an outreach programme in all the clusters within the Nelson Mandela Metropolitan area.

This Outreach forms part of forging links with the masses and stakeholders throughout the Metro. Services on wheels by various directorates will also be available to assist the members of the community.

DATE	WARD	VENUE
Tuesday, 23 February 2010 at 17:00	Wards 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, 26, 27, 28 and 29	Nangoza Jebe Community Hall, NEW BRIGHTON
Wednesday, 24 February 2010 at 17:00	Wards 42, 43, 44, 45, 46, 47, 48, 49, 50, 51 and 52	Uitenhage Indoor Centre, UITENHAGE
Thursday, 25 February 2010 at 17:00	Wards 12, 13, 31, 32, 33, 34, 35, 38 and 41	George Botha Hall, KWANOXOLO
Tuesday, 2 March 2010 at 17:30	Wards 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 39	Selly Hall, Feather Market Centre
Wednesday, 3 March 2010 at 17:00	Ward 40	Kuyga Community Hall, KUYGA
Thursday, 4 March 2010 at 17:00	Wards 30, 36 and 37	Henry Fazzie Community Hall, KWADWESI
Sunday, 7 March 2010 at 14:00		NU 1 Stadium, MOTHERWELL

Transport to and from the venues will be provided. In this regard, please consult with your Ward Councillor or with Mr Dumisani Mbebe at 041 505 4454.

**Note: The final meeting above (Sunday, 7 March 2010) was postponed to Sunday, 14 March 2010, as reflected in the copy of the notice on the following page.**



**MAYORAL OUTREACH PROGRAMME**

Come and give your input:

- Annual Report
- Executive Mayor's 100 days programme
- 2010 programme

<b>DATE</b>	<b>TIME</b>	<b>VENUE</b>
Sunday, 14 March 2010	12:00	NU 1 Stadium, MOTHERWELL

For more information please contact Mr Dumisani Mbebe at 041 505 44