



CONFIDENTIAL

**MINUTES
FOR A
SPECIAL MEETING**

**MANGAUNG
METROPOLITAN
MUNICIPAL COUNCIL**

**INDABA AUDITORIUM
GROUND FLOOR
BRAM FISCHER BUILDING
BLOEMFONTEIN**

**TUESDAY
MARCH 15, 2022
AT 11:00**

**MANGAUNG
METROPOLITAN
MUNICIPALITY**

**MINUTES OF A
SPECIAL MEETING
of the
MANGAUNG METROPOLITAN MUNICIPAL COUNCIL
held IN INDABA AUDITORIUM
BLOEMFONTEIN
on
TUESDAY, 15 MARCH 2022
at 11:00**

ATTENDANCE REGISTER

POLITICAL LEADERSHIP			
#	NAME	PARTY	LEAVE
1	<u>Speaker</u> Cllr Lockman (Stefani Bernadette)	ANC	
2	<u>Executive Mayor</u> Cllr Siyonzana (Mxolisi Ashford)	ANC	
3	<u>Deputy executive Mayor</u> Cllr Mothibi-Nkoane (Maria Mapaseka)	ANC	
4	<u>Council Whip</u> Cllr Nikelo (Vumile Edwin)	ANC	
SECTION 79 CHAIRPERSONS			
5	Cllr Mokoakoa (Mpho Isaac)	ANC 29	
6	Cllr Nhlapo (Ntombi Anna)	ANC	
7	Cllr Qai (Alfred)	AIC	
8	Cllr Seleke (Puseletso Leticia)	ANC	
MEMBERS OF THE MAYORAL COMMITTEE (SECTION 80 CHAIRPERSONS)			
9	Cllr Titi-Odili (Lulama Magdeline)	ANC	
10	Cllr Morake (Molefi Andries)	ANC	
11	Cllr Matsoetlane (Meditaba Joyce)	ANC	
12	Cllr Mogotloane (Thabo Joel)	ANC 39	
13	Cllr Tladi (Motshewa Martha)	ANC	
14	Cllr Mosala (Motlhokung Theodorah)	ANC 11	
15	Cllr van der Ross (Kevin Etienne)	PA	
16	Cllr Twala (Pani Sidney)	ATM	
17	Cllr Jonas-Malephane (Vuyelwa Eunice)	ANC	

PR COUNCILLORS			
#	NAME	PARTY	LEAVE
18	Cllr Campher (Zaandre MC)	DA	
19	Cllr Davies (Maryke)	DA	
20	Cllr De-Huis (Dikeledi Jane)	EFF	
21	Cllr De Kock (Valerie Belinda)	FFPlus	
22	Cllr Denner (John Henry)	FFPlus	
23	Cllr Dennis (Magdalene Elizabeth)	DA	
24	Cllr Ferreira (Thomas Ignatius)	DA	
25	Cllr Klaasen Raynie Sarah	DA	
26	Cllr Letsoko (Mantwa Sanah)	EFF	
27	Cllr Lipale (Gopolang Jeremiah)	EFF	
28	Cllr Makau (Pitso Elias)	EFF	
29	Cllr Malebo (Deliwe Lettia)	EFF	
30	Cllr Maliela (Motiki Edwin)	DA	
31	Cllr Masoeu (Thapelo David)	DA	
32	Cllr Mogotsi (Mamahlape Elias)	EFF	
33	Cllr Mohlamme (Lebohang Lerato)	DA	
34	Cllr Mokoena (John Itumeleng)	AASD	
35	Cllr Mongale (Mojalefa William)	AASD	
36	Cllr Monyakoana(Ntwa Patrick)	ANC	
37	Cllr Moreeng (Kabelo Christopher)	DA	Absent with Apology
38	Cllr Njiva-Lebajoa (Mamotse)	DA	Absent with Apology
39	Cllr Ntshakazane (Eunice Xoliswa)	EFF	
40	Cllr Phupha (Ntsoaki Agnes)	PA	
41	Cllr Phohleli (Tsholwane Eddy)	EFF	

42	Cllr Ramatlama (Mpho Joseph)	EFF	
43	Cllr Rampai (Pule Joseph)	ACDP	
44	Cllr Rasoeu (Lempe Ernest)	DA	
45	Cllr Sebolao (Jankie Elisha)	EFF	
46	Cllr Shale (Nkahiseng Reginah)	EFF	Absent with Apology
47	Cllr Snyman van Deventer (Elizabeth)	FFPlus	Absent with Apology
48	Cllr Terblanche (Arthur Phillip)	DA	
49	Cllr Thomas (Johannes Beleme)	EFF	
50	Cllr Thwala (Zwelinjane Jonathan)	DA	
51	Cllr van der Merwe (Rulhof)	DA	
52	Cllr Viviers (Benhardus Jacobus)	DA	
53	Cllr Vorster (Braam)	FFPlus	
54	Cllr Wewege (Mare-Lize)	FFPlus	
WARD COUNCILLORS			
55	Cllr Sefaki (Samuel)	ANC 1	
56	Cllr Mokgothu (Tona Kenosi Wilfred)	ANC 2	
57	Cllr Machachamise (Tshepiso Oudious)	ANC 3	
58	Cllr Supi (Mahoko Harold)	ANC 4	
59	Cllr Lecoko (Lehlohonolo Nathaniel)	ANC 5	
60	Cllr Moiloa (Tshidiso Petrus)	ANC 6	
61	Cllr Rampai (Chabeli Frank)	ANC 7	
62	Cllr Nyaphudi (Likeleli Julia)	ANC 8	
63	Cllr Tihakung (Betty Masetlhabi)	ANC 9	
64	Cllr Setlai (Teboho Lesley)	ANC 10	
65	Cllr Hashatsi (Rafedile)	ANC 12	

66	Cllr Siteo (Nombulelo Dorcas)	ANC 13	
67	Cllr Lekgetho (Lebogang Winston)	ANC 14	
68	Cllr Mohibidu (Pulane Martha)	ANC 15	
69	Cllr Kruger (Caprice Logan)	ANC 16	
70	Cllr Mohatle (Mampone Sally)	ANC 17	
71	Cllr McKay (David Mark Campbell)	DA 18	
72	Cllr Peter (Seth Qondile)	ANC 19	
73	Cllr Pretorius (Werner)	DA 20	
74	Cllr Lotriet (Pieter Adam)	DA 21	
75	Cllr Leech (Dulandi)	DA 22	
76	Cllr van der Walt (Tjaart Botha)	DA 23	
77	Cllr Kotze (Gerhardus Dirk Petrus)	DA 24	
78	Cllr Botes (Francois Rossouw)	DA 25	
79	Cllr van Niekerk (Hendrik Johannes Christiaan)	DA 26	
80	Cllr Banyane (Zachous Nechodemus)	ANC 27	
81	Cllr Tukula (Teboho Daniel)	ANC 30	
82	Cllr Mabena (Mere Joel)	ANC 31	
83	Cllr Menyatso (Thabang Victory)	ANC 32	
84	Cllr Mohono (Tshidiso Augustine)	ANC 33	
85	Cllr Tshwane (Kabi Daniel)	ANC 34	
86	Cllr Fantisi (Teboho Samuel)	ANC 35	
87	Cllr Makoloane (Itumeleng Justice)	ANC 36	
88	Cllr Ramolele (Mmota Simon)	ANC 37	
89	Cllr Matsoso (Molahloane Florenciah)	ANC 38	

90	Cllr Pholoholo (Ntebaleng Petunia)	ANC 40	
91	Cllr Dintlhwane (Mantja Agnes)	ANC 41	
92	Cllr Mothupi (Maqoma Lazarus)	ANC 42	
93	Cllr Nkiane (Mpho Elizabeth)	ANC 43	
94	Cllr Pretorius (Selmé)	DA 44	
95	Cllr Mathe (Lisiwe Jeanette)	ANC 45	
96	Cllr Majoro (Mpho Samuel)	ANC 46	
97	Cllr Kganakga (Mokgadi)	DA 47	
98	Cllr Pretorius (Johannes Christiaan)	DA 48	
99	Cllr Moqolo (Lehlohonolo Joseph)	ANC 49	
100	Cllr Lelala (Makoa Cristophel)	ANC 50	
101	Cllr Mohulatsi (Mamoorosi Margaret)	ANC 51	

OFFICIALS PRESENT

- | | |
|--|------------------|
| 1. Acting City Manager | Mr M Nkungwana |
| 2. Chief Metro Police | Mr KI Kgamanyane |
| 3. General Manager: Committee Services | Mr M Mothekhe |
| 4. Secretariat Officer | Ms M Morakabi |
| 5. General Manager: Internal Audit | Mr G Ntsala |
| 6. Exco Representative | Mr L Ntoyi |

Note by Secretariat

1. **Attendance Register:** Every member attending a meeting shall sign his/her name in the attendance register kept for this purpose before the commencement of the meeting.
2. **Leave Register:** In order to streamline administrative processes Councillors are friendly requested to submit applications for leave of absence in the appropriate register kept for this purpose. Members are requested to fill in this register 12 hours before the commencement of the meeting (Rule 22.2) (Yellow Form).
3. **Name-plates:** Councillors are friendly requested to please take along their name-plates and to display it throughout the meeting.
4. **Apologies during the course of the Council meeting:** Councillors are friendly requested to complete in full and submit the relevant apology form for this purpose (Yellow Form).
5. **Code of Conduct:** Councillors are reminded of item 3, Schedule 1 of the Code of Conduct for Councillors which reads as follows, namely:

Attendance at Meetings: A Councillor must attend each meeting of the municipal Council and of a committee of which that Councillor is a member, except when:

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

6. **Meeting rules:**

- i. All Councillors must arrive at **least 15 minutes before the commencement** of the Council and all other Committee meetings;
- ii. Cellular phones **must be in silent mode** and **speaking on a cellular phone during the meeting is prohibited**; (Rule 50.2a)
- iii. A Councillor who speaks must **confine his or her speech strictly to the matter under discussion**; (Rule 31)
- iv. Unless expressly otherwise determined, a Councillor **may speak only once on a matter**; (Rule 32)
- v. No speech shall exceed **five (5) minutes** in length without the consent of the Speaker. (Rule 34.1)
- vi. Council members are reminded to uphold high level of good conduct during Council proceedings (No disruptions, no interruptions, no howling, no swearing to other Council members, less movement in the Chamber, no abuse of the PA system)

INDEX

ITEM NO	ITEM	PAGE NO
57	OPENING	5
58	NOTICE OF THE MEETING	5
59	APPLICATIONS FOR LEAVE OF ABSENCE	5
60	ACCEPTANCE OF THE AGENDA	5
61	ANNOUNCEMENTS	5
62	REPORTS OF THE EXECUTIVE MAYOR	
1	MANGAUNG METROPOLITAN MUNICIPALITY ADJUSTMENT BUDGET - FEBRUARY 2021/22	6
63	REPORTS OF THE SPEAKER	
1	MID-YEAR AUDIT COMMITTEE REPORT TO COUNCIL – REPORT NUMBER 1 OF 2021/2022 FINANCIAL YEAR	7
64	REPORTS FROM MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	
	NONE	7
65	REPORTS TO BE DEALT WITH IN COMMITTEE	
1	REPORT RECEIVED FROM ACTING CITY MANAGER REGARDING THE ADMINISTRATIVE ISSUES AND MATTERS CONCERNING THE HOD: CORPORATE SERVICES	7
2	REPORT TO COUNCIL: PAYMENT OF POLITICAL STAFF IN THE MANGAUNG METROPOLITAN MUNICIPALITY	
66	CLOSING OF THE SPECIAL COUNCIL MEETING	

**MINUTES
(OPEN COUNCIL)**

**57.
OPENING**

The commenced at 11h04.

The Speaker, Councillor SB Lockman-Naidoo, requested to confirm quorum and thereafter it was confirmed there were 71 Councillors and officially declared the meeting opened and welcomed everyone present.

NOTED.

**58.
NOTICE OF THE MEETING**

The Speaker read the notice as on page 2 of the agenda.

NOTED.

**59.
APPLICATIONS FOR LEAVE OF ABSENCE**

All relevant leave of absence and apologies were recorded and minuted as such in the attendance list on the first pages of the minutes.

NOTED.

**60.
ACCEPTANCE OF THE AGENDA**

- Before the agenda could be accepted by the meeting, the Speaker alluded that there had been a motion submitted by the Democratic Alliance on the Allegations of Misconduct against the HOD: Corporate Services, Mr. D Nkaiseng, and requested the item to include on the agenda and be dealt with in today's meeting.
- Following this submission by the Speaker Councillor JC Pretorius requested the item be dealt with In-committee which was seconded by Councillor M Davies.

5A

- Councillor JH Denner indicated that at the Special Council meeting held on the 9th of March 2022, the Executive Mayor requested all his items to be withdrawn from the Agenda however those items were not included in today's agenda. A concern was also raised regarding the selection panel for the position of the City Manager, that time had already lapsed but nothing is being said in Council agenda about that matter.
- The Executive Mayor, Councillor MA Siyonzana responded by highlighting the issue the selection panel, he then proceeded to explain the process that needed to be followed after the advertisement was issued. That a number of unforeseen circumstances occurred at the Municipality thus interrupting that process and therefore they we going to re-advertise.
- The Speaker also indicated that there will be an Ordinary Council meeting on the 30th of March and all deferred items will be dealt with at that meeting.
- Councillor MW Mongale commented that he had an issue with long processes that were affecting the functionality of the Municipality. That something needed to be done about the corrupt matters. Including matters that occurred at this building.
- Councillor LM Titi-Odili raised the issue of the motion being included in today's agenda, that in terms of the Standing Rules and Orders they need clarity what needs to happen when an additional item is included. She further indicated that she was objecting the motion being included in the agenda which was seconded by Councillor MT Mosala. The Speaker, responded by reiterating what she had already explained that the motion was brought by the DA to her office and was duly captured however when compiling the agenda it was not included hence she put forward the proposal before the acceptance of the agenda that it be dealt with today.
- The Executive Mayor was of the view that if an item was not part of the agenda, in terms of the Standing Rules and Orders there should be a 75% vote however on a Point of Order, Councillor JC Pretorius reminded the Executive Mayor that according to the promulgated rules, only a majority is required and not the 75%.

Following this statement, there were a lot of discussions and deliberations on whether this item should be included in the agenda or not, the Speaker resolved to put this matter to a vote.

Voting for inclusion of the motion by the DA

In favour	43
Against	32
Abstain	18

Voting for agenda as it is

In favour	32
Against	
Abstain	18

It was thereupon, with 43. votes in favour, 32 against and 18 abstained that the motion be included in the agenda.

61.

ANNOUNCEMENTS

The Speaker indicated the following: – “The only announcement that I have, so that I don’t take Councillors by surprise, is that just like today, we will be testing out new venues across Mangaung for Council meetings. This is our first pilot to see how it will handle us but also taking Council meetings to other placers in Mangaung so that we are closer to the people that we serve and the electorate. So we are planning it, the Secretariat is working on it. So please don’t be surprised if you have to travel a bit further especially as Bloemfontein Councillors to accommodate Councillors from further places in Mangaung.

I think it is just fair that we give the courtesy of just being close to them because we expect Councillors from Wepener, Van-Stadensrus, Botshabelo, Thaba-Nchu to always travel here for every meeting and they religiously come here without complaints. So, I think it is fair that as Bloemfontein Councillors we give the same courtesy and sometimes go closer to where they are.

I don’t want you to be surprised when you see a Council meeting far from Bloemfontein. I think it will be good for Councillors to see conditions of other areas so that we focus on issues of service delivery for our people because once you see what we take for granted here and you see where there is nothing, you realize what this Council is supposed to do in terms of needs of our people and [inaudible]. I am just announcing so that you are not surprised when you see a Council meeting in a different area outside Mangaung, that we become a bit closer to our people especially the most vulnerable groups in our society.”

NOTED.

1.

MANGAUNG METROPOLITAN MUNICIPALITY ADJUSTMENT BUDGET - FEBRUARY 2021/22**The Executive Mayor tabled his items as follows:**

“Madam Speaker, Deputy Executive Mayor, Members of the Mayoral Committee, officials, Councillors, Acting City Manager, media and citizens of Mangaung, good morning.

It is an undisputable fact that the efforts of the Council of ensuring municipal stability have not always been successful. Though this cause some serious inconveniencing relating to effective service delivery, to me, this challenges are a test for our democratic system. The concerns raised by the National Treasury on the initial proposed adjustment, have always affected the tabling of the adjustment budget which was supposed to take place shortly after the mid-year budget and performance assessment or at the latest, by 28 February.

The dust is now settling and we are back in full sync to accelerate service delivery. This tabling concerned with the drastic measures taken in recovery depth from all customers, and we have begun with those that we know they can afford to pay, this includes business people and others. In a while, we'll be unpopular defaulters because the disconnection of services continues, the culture of non-payment of municipal services must be outrooted.

Madam Speaker, the 2021/2022 total revenue basket for the City reviews from R8 million to an adjusted amount of R7,9 million as a result of negative socio-economic conditions in the City. Property rates revenue adjusted downwards in line with the mid-year recommends assessment where the lesser properties were given due to the Impact of covid-19 on the property market. Madam Speaker, our revenue from property rates as the end of December 2021 was 7 % less than the original budget and this justified downward adjustment on water, a downward adjustment was made in line with the increased water losses, an amount of R30 million was reduced from the water revenue for the current budget year. Sewer charges, sanitation revenue was adjusted downwards based on the performance assessment as reflected in the Section 72 report that was taken before the Council in January 2022. Revenue generated from sewer charges has now decreased to R406,8 million from the original budget of R415,8 million. Operational grants revenue was adjusted upwards by R21,7 million due to the introduction of the signature employment programme grant that is aimed at creating more 1000 job opportunities while also improving service delivery. The City was allocated more than R19 million for addressing water losses.

Madam Speaker, operating expenditure budget for 2021/2022 was reduced to R7,4 million, furthermore, funds were shifted between a number of line items in order that the budget is credible, reliable and funded. Contracted services cost were adjusted downwards by R12,7 million in order to balance between using outsourced services and own resources for delivery of basic services. Operating costs were shifted between a number of line items in order to ensure that the budget is credible, reliable and funded. Thus the following, we have different interests, alignment of employee costs to the signed wage agreement and consideration of vacant positions. R17,4 million was adjusted in employee cost, they will still be embarking on regeneration of 5 of fine indigents customers in 4th quarter of this financial year. Thus an amount of R2,8 million was adjusted for indigent registration campaign and to ensure that the Municipality's information is credible.

6A

The City has experienced a number of sewer spillages over the rainy seasons, thus a total of R28 million was adjusted for unblocking of sewer and refurbishment of sewer systems, and sealing of streets and tenants of roads which is R23 million, the CoGTA project was adjusted downwards by R25 million in line with the performance of refreshing inter Sections of the 2 reports, mainly old funded projects as a result of low revenue connection rates. However the following charges were effected in the infrastructural investment programme. The concentration of current year USDG projects and roll-over projects, R4,1 million was added to roll-overs. Reprioritization of funds to accelerate spending on committed projects, aligning USDG projects with the MTRES budget of 2021/2022 to ensure continuity of projects, R10 million was reprioritized from own funding projects to allow to continuity of critical USDG projects. R16 million was added to refurbishment of water systems and water to reduce water losses. Additional 22,3 million was rep for installation of prepaid water meters.

Madam speaker, in conclusion, we have submitted this adjustment budget to National Treasury for it to view and assessment before tabling it to Council today, and I can confirm that the budget was considered and found to be funded by National Treasury, I therefore take this opportunity to table the adjustment budget for consideration and adoption by Council. I thank you."

Councillor DMC McKay read his speech as follows – "Madam Speaker, through to the Executive Mayor, Sir at first glance, this seems like a step in the right direction. I say this as the introduction and background outlined in this document seem genuinely researched and supportive of the recovery plan. However a step is not what we need Mr Mayor, we need giant leaps of improvement.

Once again, Madam Speaker, through you to the Executive Mayor, it is clear that my grasp and your grasp of the English vernacular differ vastly. I would like to know which part of the following sentences you did not understand and I quote, " the National Treasury has been consistent in its advice to the City that the Metro Police Service should not be a priority, given its precarious financial and service delivery performance. "or this sentence, and once again I quote" the message is simple, National Treasury does not support the establishment of the metro police service at this stage and believes it to not support of the implementation of the mandatory financial plan". Here is my question, why are you budgeting more than R200 million per year for a metro police force that has clearly been rejected as in option by National Treasury.

While we are at it, why have you still budgeted more than R300 million per year on miscellaneous, when R50 million per year would be more than adequate. This is in direct contravention of the auditor general findings, and I quote, "the overall outcomes stagnated over the five year term. This is mainly due to findings identified in performance information and compliance legislation"

Clearly budgeting such an exorbitant amount to miscellaneous opens doorway to irregular, unauthorized and fruitless and wasteful expenditure to which the auditor general clearly stated and recommended and I quote, "Management should implement steps and controls to prevent". Sir if however I am wrong and our grasp of the English vernacular is similar then it must be that you did not receive the documentation or were oblivious to the content thereof. If you like I can send you copies of the referred documents for you to pursue

In addition Mr Mayor, I see that nestled in between the cracks, almost obscured to the naked eye, lies a line item named "Long Service Awards.. this is a lovely little nest egg to fall back on if all else fails. What I find extremely interesting is that it has increased by a whopping 734.5 percent from the original budget of just over R1,2 million to an average R9 million per year.

6B

Why the exorbitant increase, it seems rather excessive and opens the door to speculation as to how this will be allocated to golden handshakes, etc.

Finally Madam Speaker, I would like to remind or caution the acting city manager, pertaining to this adjustment budget, that in letter from treasury congratulating him on his appointment they highlighted the caution of the establishment of the Metro Police, I quote " furthermore the establishment of the metro police is a matter that the National Treasury issued a directive on that the City must not implement as it is unaffordable and will put the city in further financial distress, any contravention thereof, you will be held personally liable for any unauthorized, irregular, fruitless and wasteful expenditure incurred as a result thereof. It is for these reasons madam speaker that the DA would like to refer this item back and advice that the budget allocated to the metro police and miscellaneous be reallocated to road maintenance or fleet of R450 million per year will go a long way to renovating our roads or blustering our fleet."

Councillor LM Titi-Odili made the following inputs; "We Support the item as is, Executive Mayor has already alluded to the Council why we are only tabling now. National Treasury assessed our adjustment budget 3 times and were satisfied that it was indeed funded. Our budget has been checked thoroughly. It is correct that Metro Police is not priority now, the allocation of R25 million is to ensure our assets are being looked after. It is money paid to securities looking after our assets. I support the item as is. "

Councillor D Leech read her speech as follows "Madam Speaker, the adjustment budget is the perfect opportunity for the current Council to change and inherit the budget as we got this from previous Council. It should have been used and altered to focus on key elements which should have addressed our current dire state of finances. The ANC would have posed and Implemented strategic plans to enhance revenue and to adjust the budget accordingly, but to the contrary you increased employee related costs to over R17 million, what happened to identifying ghost employees and removing them from our salary.

They expect to adhere to the LRA but you as the supposed leader do not implement and follow prescribed solutions proposed by the act to lessen the financial burden on the Metro and the community. Did you live it up so badly that your own selfish needs were put before that of an innocent child. Was the money used to pay the outstanding accounts or was it used for politician's new vehicles. Or was it just maybe a case of being useless and you had underspent on your projects that had not finished and now the metro receive less and less money via grant. I can tell you one thing, if this was the DA budget we would have focused on enhancing revenue, strictly Implementation to receive outstanding debt, cut all unnecessary costs, no matter how small, explore and focus on areas for additional funds like renting out facilities and actually managing properly, involve external stakeholders to Improve the city Image, focus on new developments and processing applications within a short timeframe to enhance economic development and increase employment.

The DA would have spent its budget on maintaining and upgrading its infrastructure in order to attract investors leading to not only job creating, but also increase in the metro's income through the rates and taxes of such new development. Safety, by maintaining street lights and erecting more light in dangerous places, we would furthermore focus on erecting speed-ups and traffic lights, paying all outstanding debts to contractors so that they won't have to close their doors and lose 100's of people and leave children hungry. This would have in continuous service delivery that residents of Mangaung are entitled to as they have already paid for it.

Madam Speaker this is an excuse for an adjustment, it is not an appropriate for a budget nor does it improve the economy. It is simply a small boat in the middle of an ocean trying to stay afloat in order for its ANC passengers to not completely succumb to severe injury. It is an insult to our community. I second Councillor DMC McKay proposal to refer the item back, thank you.”

Councillor JE Sebolao read his speech as follows – “Thank you so much Honourable Speaker, as the EFF , municipalities are guided by very explicit pieces of legislation and among we get the Section 54 of the MFMA which requires the mayor of Municipality to take certain action on the receipt of this report to ensure that the approved budget is Implemented in accordance of the projection contained in the service delivery and budget Implementation plan, further to say, Section 71, SubSection of 1 of the MFMA requires from the municipal manager as accounting officer of the Municipality to submit the report in a prescribed format to the Executive Mayor within 10 working after the end of every month of the state of the Municipality’s budget reflecting the following particulars for the month and for the financial year up to the end of that month:

- A. Actual revenue per revenue source
- B. Actual expenditure per vote
- C. Actual capital expenditure per vote
- D. Any allocation received
- E. Actual expenditure for allocation received
- F. Actual borrowing
- G. Any other budget information as may be required by national and provincial treasury for monitoring purposes.

That report should be a summary of the main budget and issues arising from the monitoring process. It compares the process of the budget to the projection contained in the service delivery and budget implementation plan and Section 54 of the MFMA requires from the Executive Mayor to consider Section 71 report and to take appropriate action if needed to ensure that approved budget is Implemented in accordance with the approved SDBIP and to be honest with you, yours cannot escape the scrutiny.

Madam Speaker, the EFF is at pain when dealing with this bread and butter that is informed by the needs and desires of the City. And it is not like the City of Mangaung of the is not watching us as we play with their emotions year in, year out as we converge, deliberate and adjust the city’s budget disguised as service delivery pursuit and you should tell this house as to whether their communities are getting justice and value for their money.

Fellow Councillors, let me highlight that makes the City dysfunctional, we are frustrating the service providers, particularly the ones that are coming from Mangaung area. It is very difficult as some of our officials are demanding compensation from these companies and when they refuse to comply, their payments are deliberately delayed without withstanding the president of RSA’s directive that these companies must be paid within 30 days.

Honourable Speaker I am saying this without any shadow of doubt and if you need proof, I will give it to you without hesitation. Name and shame these officials that are frustrating our brothers and sisters who are struggling to earn a living by doing the right thing. If you are not connected in Mangaung, you will never do business with the city. Thus this adjustment must be taken serious and committed be shown in the interest of the people and companies in Mangaung to be at large. Ignore dishing out business to companies outside of Mangaung and Free State at large.

Madam Speaker when we speak about cut and paste in this house, some things are being silly and funny, and that is the Centlec adjustment budget is being cloned as if it belongs to the Metro.

The management of Centlec must also report to the National Treasury about the conduct of some of the Mayoral Committee Member behaviour for their interference in the administration of Centlec. EFF is on record in the 2016 and 2021 term for having raised Centlec inefficiency and redundancy during the Dudu Myeni and maladministration and guess who defeated the Centlec, none other than the MMM Speaker and the entire ANC caucus stooges, some of the officials are not doing justice to the work because they know that in this institution, consequence management is zero and you cannot even commit a crime without being brought to book and they are getting away with murder. We would like to support this adjustment as the EFF, are having some reservations whether it will be catering for the people in Mangaung or will it be catering for the cadres who are loyal to a particular function.

In conclusion, Madam Speaker, allow me to quote the former president of the ANC Oliver Reginald Tambo, when he addressed the assembly in Angola he said, *“Comrades, you must think the liberation struggle is difficult, wait until it’s your turn to be in power. I might be dead by then and at that stage you will realize it is more difficult to keep power than to wage a liberation war, people will be expecting a lot of services from you will have to satisfy the various demands of the masses of our people. In the process, be prepared to learn from other people’s revolutions and learn from the enemy also. The enemy is not necessarily doing everything wrongly. You may take his tactics and use them to your advantage, at the same time avoid repeating the enemy’s mistakes”*. He was in essence fellow Councillors, for warning you, your predecessor and what better way than looking at yourself in the mirror. Thank you.”

Councillor B Vorster addressed the Council as follows “All protocols observed, The Freedom Front Plus wants to refer Council to the Extension letter from the MEC for Finance. Extension was granted on good cause shown for tabling the adjustment budget yet the reason for the request for the extension is not before Council. In the same letter the Honourable MEC ask the assistance of Council in refocusing the Municipality to meet the financial recovery plan outcomes & reporting will be most appreciated

The Council however cannot exercise its oversight powers to ensure that legislative requirements are met when Council is not provided with accurate reports from the Executive Management, administrative bodies & the Intervention Team. According to the Freedom Front Plus the Intervention Team and reported to Council and two not comply with the relevant legislation. The ANC Government always are the excuse of Executive Powers for non-compliance & there use the square term with Council a dies the Executive failure to comply with the relevant legislation. That is why the Freedom Front Plus does not agree to the system of Executive Powers because that is problem the west important stumbling black for the Council to exercise its oversight powers.

Honourable Speaker & Mayor just remember that with these executive powers comes responsibility with includes that the adjustment budget should have been table on time & according to the Adjustment Budget. The Freedom Front Plus is at vein that more should be done to improve the original budget in the beginning at the financial year so that the budget reflects true financial position of the Municipality, adjustments should be kept to a minimum as fare as possible. The Freedom Front Plus cannot approve the adjustment budget & just to print out a few of the reasons why:

6E

- 1) The decrease of operating revenue in the amount of R93,6 million is too high.
- 2) The decrease of revenue with regards to property rates alone amounts to over R78 Millions Rand, some laid to be paid during Covid-19.
- 3) The operating Expenses adjustment decrease in the amount Of R9,3 million is in to the low other hand.
- 4) The decrease in the budget for human settlement & housing as well as Economic & Rural Development however cannot be exceeded & its shows that the funds is not spend on the poor communities & the HOD's should be addressed.
- 5) On the other hand the Freedom Font Plus cannot understand the increase adjustment of over R36 million for Waste & fleet Management seeing that this service is almost non existing.
- 6) The same can be said to the increase of over R25 Million Rand for the Metro Police, is this for overtime?
- 7) The employee cost increase of R 17,6 Million Rand is to budget.
- 8) The contracted services decrease should be higher and
- 9) The increase in the adjustment budget especially with regards to the Metro Police & salaries cannot be excepted.

This is only done to improve the wasteful expenses as already indicated in the quarterly reports. This Council should also gained to a potential unfunded budget in future.”

Councillor MW Mongale commented as follows – “Thank you Speaker. We are dealing with a crisis in this Municipality while we are dealing with a very sensitive subject of adjustment budget, the first one is that we are affected to come with a financial plan that will be able to take this Municipality out of the current situation that it finds itself in; now I also see contradictory statements of the National Treasury where they give a recommendation with regard to metro police while on the other side they say they are saying that they are against the establishment of metro police but they have increased the budget around metro police. Now their argument is that they will be increasing the budget to guard on properties that we don't even know if they will be used. Now it seems as if the National Treasury did not apply their mind properly, they just became adventurous in trying to fix a problem whereas they should have allowed the Municipality of Mangaung to come up with a plan of fixing the problem of metro police or even if we decide we don't want metro police, the decision should be taken by the people of Mangaung because we talk about participatory democracy.

I'm raising this in line with the current developments in Mangaung, every street in Mangaung is dirty, streets are filled with refuse that has not been collected, maybe except certain areas in the suburbs where some of the senior Councillors and some of the executives in the management even the MMC's are residing because there, we don't see the crisis that occurs in the townships. As we are saying, this adjustment budget should be dedicated to the people of Mangaung, it should be about Mangaung people.

When there is a tender, you should think about Mangaung people, 27 years into democracy, you can't be making excuses that people of Mangaung have low capacity, we can only rely on people from Gauteng, Limpopo, KZN and others. That is an insult to the people of Mangaung because they were not told that after the voting, you must know that we will not consider you because you have no capacity.

We will give people from Gauteng and overseas to chow your money, and you will only come during the hunting as you are hunting dogs and after we catch the prey, we will eat it and you will be given the bones. And that come to an end where our people are given bones and they are at the mercy of the chewer whether he wants to chew the bones or give them as they are. We are also raising the issue around admin at the Municipality regarding budget [inaudible]

On the administration, we are disturbed because I have visited some departments in the Municipality, I have seen shocking revelations there whereby some trucks are just sitting there because there is no battery and some of them are just sitting there because the tire is flat and someone decide that they will not purchase a new tyre. Some of them are sitting there because they don't have the SOC, they are not roadworthy. Even law officers of the Municipality, some of them are driving vehicles that are not road worthy. I have met them, I have stopped them and I have talked to them.

Now in this mess, this budget should have been dedicated to fixing all those problems, and I hope that we are not going sit here and lament and after 6 months we are sitting here with the same problems with vehicles that are not roadworthy, and refuse vehicles cannot collect the refuse. Because some of the senior leaders are conflicted and they want to deploy their companies, so that they the community must complain and there is a Volksblad headline that says this place is filthy and the Municipality is failing and then they zoom in with their private companies and try to fix the problems. After they get their accolades they know they have confirmed their companies at the expense of municipal workers. They are taking advantage that the union in the Municipality has collapsed now they are playing with the future of those workers, but as African Alliance Of Social Democracy we are here to protect those interests and the interests of people of Mangaung.

We also say that this budget must be dedicate to the appointment of people of Mangaung, because 27 years in democracy we cannot argue that this Municipality cannot produce its own city manager, or HOD's. we will not be micro-managed by MEC of COGTA in trying to tell us who he will appoint in this particular Municipality.

We are not under Section 139.B, but we are under Section 139.5, 8 and C, we are functional and we are alive and kicking. We also want to deal with the matter that we have seen the Executive Mayor doing. We thank the Executive Mayor and acting city manager for financial recovery plan where you went to those institutions that have been on honeymoon and making decisions that they will not pay for services, which is business and the government departments. And we know in the government departments there is a tendency that they will not pay for services because they are linked with the Municipality, the ANC is our comrades and they will understand if we don't pay. But they are the same people who are laughing at us when there is an intervention at the national and provincial level. When they say Municipality has problems and they cannot collect services, they laugh at us when they say Municipality is struggling with admin and they don't have capacity, we think we are better off here the department of education, not knowing that they are the one's defaulting by not paying the Municipality and it is high time that the Municipality collects all that money that is owed by departments because they have been on honeymoon and that must come to an end.

If there is a particular that must be put under administration is the department of the province of free state because most of them owe this Municipality a big amount of money and we need that money. And we will not come out of this situation if they don't get that money. Another elephant in the room is the business is that some of them bribe senior officials that you are not going to cut my services and instead, I will give you a certain amount of money and then there is an instruction to a government official that he must reinstate that service even though a payment was not made.

6G

Reinstatement of a service must be based on a payment and arrangement to settle the debt, and that arrangement must have a timeframe that is consistent with other people, it cannot be a special arrangement for 1 person.

In closing, I need to close on this matter of water allocation....“contradictory statements from National Treasury, because they said they do not support establishment of Metro Police and now they approve budget containing allocation for Metro Police. In Mangaung Metro almost all streets are dirty and filthy. This adjustment budget should be for the people of Mangaung. You cannot say today that there is no capacity here and you get people from Johannesburg and other provinces. Also raising the issue of administration, I am disturbed, some workers are sitting because they are not supplied with equipment, cars are not roadworthy, etc. This budget should have made allocation for that. They are taking advantage of those situations, whereby they bring private people so that they can chow the money. We thank you Executive Mayor and Acting City Manager, for those people not paying services to the Municipality. Political alliances causes them not pay and they laugh at us when National is here and saying municipalities are not run correctly, they are bankrupt whereby they are the ones defaulting.”

Councillor NA Nhlapo addressed the Council as follows – “Thank you Madam Speaker, as the ANC we work on the table adjustment budget that is tabled by the Executive Mayor for the remainder of our current financial year. It is a budget that speaks to the challenges that we face in our Metro.

Madam Speaker no one is given bones here because the budget prioritizes, amongst others that have been mentioned, unblocking of the sewer and maintenance of the sewer system in the benefit of the residents of Mangaung Metro. Secondly it is a budget that has prioritized the resealing of streets and maintenance of roads of residents of Mangaung Metro. Thirdly it is a budget that speaks and addresses the overspending on the votes based on service delivery. With that short speech madam, as the ANC we welcome and support this budget and we second that it gets adopted as it is with the tabled recommendations, thank you.”

Councillor IJ Makoloane made his address as follows – “Thank you Madam Speaker, my understanding is that the rejection of adjustment budget is the rejection of the service delivery. As I was saying Speaker, my understanding and analysis is that the rejection of adjustment budget is the rejection of service delivery so the fortunate part is that as the ANC we are in support with the report that was presented by the Executive Mayor. What is also Important is that the little money that we have in the Municipality is imperative that we use it wisely for the benefit of the society and community that elected us to be where we are today speaker.

Honourable members please note that our adjustment was assessed by National Treasury and the corrections were made by our team and fruitfully they confirmed that our adjustment is funded by R40 million. We know that we were supposed to table our adjustment by end of February but the Executive Mayor was flexible and requested for extension to the MEC according to Section 27 of the MFMA allowed to do that, honourable members please note that the importance of adjustment budget is to relocate money according to demands. This means moving from original budget to current budget, this is a transition to one financial year to the other. Speaker it is important for the Council to support the budget because it is responsible for processing the decisions of the Municipality and as a result it has an authority to approve the financials of the Municipality, it is the case with the adjustment.

Adjustment budget is crucial for re-allocating and redirecting funds to the priorities of the municipalities. This will involve service delivery and IDP development because it is a blueprint for service delivery adjustment come when there is a gap. So, in conclusion Speaker, I will like to encourage all the members in Council to ensure that they support this adjustment budget that will be the optimistic illustration to the community members that all members in this Council are serious about service delivery. I would like to conclude again by saying that the rejection of the adjustment is the rejection of service delivery, thank you Speaker.”

The Executive Mayor responded:

- That all suggestions and contributions made by different Councillors were welcomed and taking note of what Councillor MW Mongale said regarding issues of service delivery.
- That the campaign to encourage people to pay services must be every Councillors business, as indicated at MAYCO meeting, that it was Council’s responsibility to formulate policies, approve IDP and budget, and the administrators to implement the decisions of Council.
- That Councillor BJ Viviers laughed to indicate that the potholes in the Municipality were like swimming pools, therefore it was officials responsibility to ensure that the residents of Mangaung lived in a better City which encouraged investment.
- That the vote for the Metro Police was approved the previous year in June even though Council did not launch the metro police service but the vote was accepted by the National Treasury, therefore it would remain as such until June when Council decide on it.
- That Council was reminded that the on the 31st of March, they were expected to submit a draft budget of which at the end of the financial year, all projects should be implemented.
- That he was not happy when Council was considering the 2nd quarter report, due to low spending patters, and therefore Council was expected to also do oversight.

Thereafter the Speaker decided to put the matter to a vote, on whether to refer the adjustment back or to vote for the item as is.

Voting for Adjustment budget as is

In favour	51
Against	39
Abstain	1

Voting for the Adjustment Budget to be referred back

In favour	40
Against	51
Abstain	0

It was thereupon, with 51 votes in favour, 39 votes against and 1 abstained

RESOLVED

- (a) Based on the details as outlined above it is recommended that Council approves the Adjustment Budget as contained herein, together with the resolutions as contained here below;

- (b) That Council approves changes as contained in Table B1 to Table B10 as well as all other supporting schedules for the Adjustment Budget.

6J

1. RESOLUTIONS

- 1.1 That the original budget as approved on 30 June 2021 be adjusted accordingly. Operating Income be decreased by R93,598 million to the revised amount of R7,980 billion. The Operating Expenditure be decreased by R7,307 million to the revised amount of R 7,444 billion. The Capital Expenditure Budget be decreased by R25,070 million to the revised amount of R 1,196 billion for the 2021/22 financial year as set out in the following tables:

		Page
Table B1	Consolidated Adjustment Budget Summary	7
Table B2	Consolidated Adjustments Budget Financial Performance (Revenue & Expenditure by Municipal Vote)	8
Table B3	Consolidated Adjustment Budget Financial Performance (Standard Classification)	9
Table B4	Consolidated Adjustment Budget Financial Performance (Revenue & Expenditure)	19
Table B5	Consolidated Adjustment Capital Expenditure, Budget by Vote and Funding	22

- 1.2 That the financial position, cash flow, backed reserve/accumulated surplus, asset management be adopted as set-out in the following tables:

		Page
Table B6	Consolidated Adjustment Budget Financial Position	24
Table B7	Consolidated Adjustment Budget Cash Flows	26
Table B8	Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation	28
Table B9	Consolidated Asset Management	28
Table B10	Consolidated Basic Service Delivery Measurement	32

- The Speaker informed the meeting that she had received an apology from the Chairperson of the Audit Committee to notify her that he was unable to attend the Council meeting to present the report. She then opened the floor to get inputs and opinions on how to proceed with this matter.
- The Chief Whip, Councillor VE Nikelo commented that this was the second time the Chairperson was sending an apology and it was not correct. That there were other members in the Committee who could have been delegated to come and present the report. He then requested that this item be referred back with a “*stern*” warning to the Chairperson. Councillor ZJ Thwala seconded this proposal.
- However the Councillor GD Kotze was of a different view that since the report was in front of them they can deliberate and discuss it, all questions raised will be captured and forwarded to Chairperson of the Audit Committee. This proposal was seconded by Councillor JC Pretorius.
- Councillor MM Tladi indicated that the report was not for Council to deliberate on, but it was only for noting and thereafter will be processed by MPAC. At this point Councillor M Kganakga remarked that the document/recommendations says nothing about noting but clearly state it was for approval by Council.
- On a Point of Order, Councillor MM Tladi requested the Councillor to address her through the Speaker.

At this point Councillors were still deliberating and debating on whether to defer the report back until the Chairperson can avail himself and present his report or to deal with the report in his absentia, the Speaker thereafter concluded on the matter that she would allow inputs but not discussions and further a formal letter should be sent to the Chairperson to raise their dissatisfaction of his conduct .

Councillor W Pretorius read his speech as follows- “The DA supports all 13 recommendations included in the mid-year report by the committee, these recommendations seem to bring more accountability and stability to MMM and most importantly to improve service delivery to the residents of the Mangaung. It is extremely unfortunate that the majority of the report contains content that one would find in a textbook on a failed Metro Municipality. It summaries issues that would not be present in a well functioned, effective Municipality. It would seem that the executive management of this Metro and some officials are writing the best seller titled the “first failed metro in SA”. It is clear that the residents of Mangaung are in dire need of basic services.

The report includes recommendations that must be implemented immediately to mitigate and address most of these basic service delivery and management failures in Mangaung. Some of the most pressing issues that have been identified in this report include the updating the audit action plan of the Metro to include the pressing issue of water losses. As per the report by the audit committee, as of the 31st of the sector this has not been included in the audit action plan. This means that there is major water losses in the Metro estimated at 30%.

7A

So it means a 3rd of all water in the Metro is being lost and not even reaching the tap of residents, and we have to ensure that there is reliable water in taps of residents of Mangaung. Now if we look at the acceptable eminent graph, it is between 20% and 30% of water that is allowed to be lost, but at Mangaung we are sitting at 34%. That needs to be added to the audit action plan and take steps to ensure that water loss in Mangaung is reduced. The water loss accounts to R340 million in losses and we cannot afford those losses and we need to stop those losses and make sure that water reaches our residents. So, this need to be added to the audit action plan so that it is discussed regularly. In addition, the million in outstanding government debt both by the Province and National needs to be collected and the DA encourages this committee to start with the collection of close to R1,9 billion that is owed by government and this could go a long way in reducing the R765 million that is owed to Bloem-water.

Once that money has been received by government, it should be spend on paying Bloem-water to ensure that the residents of Mangaung have basic services of water as they can go for weeks without water. That money will also go a long way in paying our service providers which currently are waiting 280 days before being paid.

The DA in Mangaung would like to see the ANC administration taking a page from the books of DA-led multi party coalition governments in the City of Tshwane and City of Joburg where they have started to collect rates and taxes from the national government. Over the last few weeks under the leadership of Mayor in the City of Tshwane, Councillor R Williams; they have collected over R500 million in debt. Do not spend the money on handshakes, performance bonuses and the metro police. Please prioritize the needs of residents of Mangaung.

So we must establish a committee of enquiry and we must seek to understand what is the root cause of not delivering services. The city is also not communicating with the residents on when their refuse will be picked. Residents cannot smell when the truck is coming to pick their refuse, but they can smell the sewerage down the street and the pile of refuse but they can't smell communication. Council need to communicate with residents on timeframes for issues such as refuse collection schedule. It is basic right for the Municipality to communicate with the residents.

So we support this fully but despite this lack of service delivery in the Metro, the overtime costs was still excessively high.

We ask that there is an investigation in the regular, unauthorized and wasteful expenditure of the previous financial years and it must be finalized as it is a matter of urgency. These reports must be submitted to the Council on/or before 30 June 2022. So these irregularities must be investigated and be reported back to this Council as we must do oversight and improve those investigations. The DA strongly supports the item and further wishes the chairperson, Mr Mahlatsi who is not here today, not to be led by the. They need to do further investigations and there must not be any stone unturned and they must demand answers to all questions.”

Councillor LE Rasoeu made his contribution as follows– “Thank you Speaker, this report has provided a clear picture of bad management ...[inaudible]

Mangaung Metro has no prudent financial management system, nor functional control evaluate and mechanic. Prolonged vacancies, poor procurement processes and no consequences for poor management and transgressions. These transgressions warrant a sanction and those that are found to be guilty must be dealt with. For example, bid adjudication committee did not compost according to Section 29 of the Supply Chain Management Regulation. Bids must be evaluated according to the criteria in the original bid document.

7B

Contract files not submitted for audit purposes, traffic fines receipt register where other receipts are not found, discrepancies in the fine print between the balances recorded and the actual amount in the bank writing of debt, service providers with insufficient invoices.

The DA also submit that special attention must be paid to performance management, we wouldn't be here if we had performance management systems. The absence of performance management systems simply says staff don't know what to do, their supervisors don't know what staff is doing, and not only HOD's but staff in general need their performance assessed. We need to pay special attention to that. We understand that its understaffed, we need to give priority to that and get the City going. So 2 things that needs to happen, consequence management and secondly we give priority to performance management. Thank you Madam Speaker."

Councillor JB Thomas addressed the Council as follows- "Thank you Speaker, Honourable Councillors and baahi bohle ba Mangaung, as the EFF we acknowledge the work done by the committee under difficult environment of incompetency and corruption in this Municipality. We have perused the mid-year committee report and I would like to point 1 or 2 recommendations and one will realize that the Municipality is led by people who don't have the best interest of the City and people at heart.

The recommendation says that debt collection of Municipality need to be intensified to ensure that all money owed to the Municipality by residents, government and business are recovered for improvement of municipal finances, you will find out Municipality only intensifies one sided-only to residents. Then fail to act on government because it's an ANC led government, on business-reality is that there is a minimum attempt from Municipality to collect from them because they sponsor ANC. We have a docier of how these big businesses are allowed to operate and make profit without paying a single cent for services that they acquire from Municipality, e.g. Georgiou Brothers, ba kwallwa motlakase for nako-nyana, ebillione le skoloto se phumulwa selemo le selemo hobane ba etapele ba uma molemo ho tswa ho bona..."

The Speaker interjected to request the Councillor to refrain from making allegations as she did not want to be bombarded with complaint letters as the meeting was streamed live on Facebook.

Thereafter the Councillor JB Thomas continued with his address as follows – few days ago we saw the Acting City Manager trying to address this problem and we appreciate his efforts, we support the notion that the disputes between Bloem-water and Municipality be resolved but the biggest challenge will be people who stand in this Council and lie unprovoked to the people of Mangaung that Bloem-water has been paid while they know that is not true. That member stood up here and said Bloem-water and the next day we received a notice that says Bloemfontein is still going to cut off water. This is an indication that our problems are far from being resolved because of dishonest leadership.

We also agree with the recommendation that says Council should support executive management team in implementing strict measures to management overtime effectively. We are aware that there are some workers who are claiming overtime that is far more than their salaries. On the issue of service delivery, we support the establishment of the committee of enquiry to establish the root cause of poor service delivery, even though us as the EFF we are of the view that the root cause is outsourcing of services, we fully support that Council should speed up the filling the

City Manager and all other critical vacancies to bring stability and Improve service delivery molemong wa baahi ba Mangaung. Management should ensure that investigation of irregular expenditure as requested by MPAC is finalized as a matter of urgency.

7C

In conclusion, we are again retaliating that this report cannot just be for the sake of us being seen as if we are working, there should be Implementation and proper monitoring. Kopo yaka ke hore re behe tabatabelo tsa baahi ba Mangaung ka pele ho ntho tsohle, re fetole maemo a Mangaung, re fedise bobodu le manyofonyofo, thank you Speaker.”

Councillor ME Maliela addressed the Council as follows – “Thank you Madam Speaker – it is clear from this report that this Municipality is faced with a lot of tasks before it ...[INAUDIBLE]

The auditor general has identified the following as the 3 key root causes of financial instability. Management is not ensuring that internal control processes are adequately being implemented to prevent material correction to the financial statement as well as non-compliance with legislation.

Management is not adequately prioritizing the supporting documentation for performance management reporting. Management is not effectively developing and monitoring Implementation or action plan for consequence management.

Madam Speaker recommendations and corrective measures by auditor general, internal auditor and auditor committee that were made to the management where eyes were never Implemented or not Implemented in time. We cannot pride ourselves as a Municipality on a report that lacks billion of funds which are unaccounted for due to unauthorized, irregular and wasteful expenditure. UIF and WE in short for 2 consecutive financial year, this is pure negligence on the part of the accounting officer and a clear indication that office was owned who was not fit for a purpose. Municipalities are government structures and therefore public entities, there is absolutely no reason for negligence with regard to public funds on their part.

We therefore recommend for a rigorous consequence management and those who are responsible accounted, in addition to that, those who are Implicated should be investigated by an independent investigator and please report back to Council.

Madam Speaker this report also states that the National Treasury requested for a reduction plan on wasteful expenditure from this Municipality. No wonder wasteful expenditure were reduced from billions in 2019-2020 financial year, in my opinion the National Treasury requested for abolishment plan so that wasteful expenditure can be totally abolished and this will get them in order. In conclusion I want to commend the committee on their monitoring plan...Thank you.”

Councillor JI Mokoena made the following contributions – “Thank you Speaker. I think this report from auditor general is very frustrating and I want to place it on the table that the person who supports and ensures that we provide – and we are able to act on behalf of the people of Mangaung in holding the executive accountable.

This is not a political report but a report of tragedy...[INAUDIBLE]. We have just passed the adjustment budget and as my fellow colleague said that, if you want to pass it, you don't want service delivery to happen. I also want him to read this report and see where our previous budgets that were passed the same way were able to provide service delivery to our people or was it wasted. I would like to align myself with the recommendation where its contained in this report in this report and I would like to indicate speaker that this report needs to be served as the needle of what we have inherited and I am not so sure about those that have been here from last year as to whether this is an acceptable report of why they came here day in and day out at the expense of serving our people and at the end of the day, we have a report like this.

I would like to ensure people of this house that I am not here like their faces or the chauvinistic or even adventurous but I'm here to serve my people and as a result, I would like to – on all of us that this report should become an era of what they should not become so that at the end of 5 years, a different report. I thank you Speaker.”

Councillor CF Rampai made the following inputs – “Thank you Speaker. I would like to plea with my Honourable Councillors to please relax as we have made a commitment as the ANC that we will fight corruption regardless who is doing it. That was our manifesto and the commitment that we made to our people. So I'm asking the city manager please make sure that all the recommendations are implemented, we are here as ANC and we are announcing that where the corruption is within us or outside, we still have the same theme to clean corruption. We are committed to our people and we are tired of them saying the same thing over and over every 5 years. So I will ask all Councillors to all work together and fight corruption together, whether it's done by us or any official, lets fight and get rid of it, thank you Speaker.

Councillor JE Sebolao commented as follows – “Councillor CF Rampai I would like to withdraw my statement and align myself with what the Councillor just said here. As Councillors, we don't have to look at a person but we should work for the community because we have been elected. Our problem here is that we look at our EFF, our ANC and we forget about people who voted for us. There are problems here and we are part of that problem so I withdraw my statement and align myself with Councillor CF Rampai. Thank you very much.”

The Chief Whip, addressed the Council as follows– “Thank you Speaker, on a lighter note, I would also like to thank honourable Councillor JE Sebolao for withdrawing whatever he has withdrawn but I am also not going to be long. I will just be short. Speaker, I think Councillor CF Rampai has already indicated that as we reiterate our stunts against any corruption in whatever form and I think all the speakers have indicated in relation to the recommendation as put forward by the committee in relation to many other things that they have – I think most of all what is Important is, the issue of consequence management should be the order of the day. Perhaps it would be crude as the current Council to set examples in showing the community of Mangaung how serious we are in terms of making sure there cannot be any wrong doings within the institution regardless how long does anything dated back. For as long as our interest is making sure the resources of Municipality. Everyone will be held accountable because every year we have an issue whereby the auditor general will make recommendations that will not be taken serious.

We are now moving towards the right direction, and further Speaker, in conclusion, the issue of irregular expenditures within the Municipality, those issues need to be taken seriously as an institution. Where there is somebody - that person is brought to book and as a result chair, I wish to be concurring with all that support the recommendations of the audit committee, all of the them without exceptions, subtractions and all other negativity. Like one Councillor said, re kgutlisa serithi sa Mangaung so that we set an example ka batho that were found on the wrong foot of the law so that anyone who think a tlang ka morao otle etsa jwalo. A bone hore ka nnete re ikemiseditse ho hata haholo. Ka leboha.

Councillor B Vorster made his address as follows – “The Freedom Front Plus wants to bring the following under the attention of the Council, Audit Committee as well as MPAC:

- 1) Section 166(2) of the Municipal Management Finance Management Act states that the audit committee is an advisory body to advise management.
- 2) Then regulation 14(4)(a)(iii) A of Local Government, Municipal Planning and Performance Management regulations of 2001 reads that the performance audit committee must at least twice during a financial submit an ordered report to the municipal Council concerned,
- 3) however on the 1st of November 2021, the Municipal Structures’ Amendment Act (number 3 of 2021) came into effect.

Section 79 A was inserted in the principal act, now this is the way it becomes a bit problematic because according to this Section and in terms of Subsection 3 A and B. The Council must determine the function of MPAC which must include the following, view of the – as well is the internal audit report together with the comments from management committee as well as audit committee and make recommendations to Council. In terms of Section 5 A of the same act, an audit committee means the audit committee in terms of Section 166 of the local government municipal finance act. So in instance we heap these together, it’s a view of the FF plus, the audit committee report should be served at MPAC and then MPAC will make recommendations to the Council after reviewing all the reports which all of the above. This is only brought to the attention of the committee, the Council and MPAC and they should consider saying to avoid any potential non-compliance in the future, thank you.”

It was thereupon, unanimously

RESOLVED that the report be considered and referred to MPAC for further processes.

64	REPORTS FROM MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
----	---

None.

NOTED.

65	REPORTS TO BE DEALT WITH IN COMMITTEE
----	--

1.

REPORT RECEIVED FROM ACTING CITY MANAGER REGARDING THE ADMINISTRATIVE ISSUES AND MATTERS CONCERNING THE HOD: CORPORATE SERVICES

The Speaker requested officials and guests to be excused from the meeting as they would be dealing with item in committee.

Note by Secretariat: Detailed minutes under these items are captured separately, as it was discussed In Committee and therefore only the resolutions are captured.

It was thereupon, with 42 votes in favour, 0 against and 27 abstained

RESOLVED *with amendments* that

- (a) Council noted and deliberated on the report and the allegations as contained thereof and is satisfied that the allegations lead to a reasonable cause to believe that an act of misconduct has been committed by the HOD : Corporate Services, Mr. David Nkaiseng.
- (b) That the Municipal Council authorizes the Acting City Manager, Mr Mzingisi Mkungwana to appoint an independent investigator in line with regulation 5(3)(a), to investigate allegations of misconduct against the HOD: Corporate Services, Mr David Nkaiseng.
- (c) That the independent investigator to submit a report with recommendations to the Acting City Manager within 30 days in line with regulation 5(4).
- (d) That the service provider selected to proceed with investigation not be conflicted in any manner.
- (e) That the Municipal Council place the HOD: Corporate Services, Mr David Nkaiseng on precautionary suspension envisaged in regulation 6(1)(a) & (b) pending the outcome of the investigation.
- (f) That the HOD: Corporate Services should make written representations within seven (7) days as to why he should not be placed on precautionary suspension in line with regulation 6(2).
- (g) That a municipal Council will be convened 48 (forty eight) hours from receipt of the written representations to consider the written representations against precautionary suspension.

2.

REPORT TO COUNCIL: PAYMENT OF POLITICAL STAFF IN THE MANGAUNG METROPOLITAN MUNICIPALITY

It was thereupon, with 53 votes in favour, 0 against and 25 abstained

RESOLVED that

- (a) That Council takes note of the report;
- (b) That Council pronounce itself on the role of the Intervention team in Mangaung pertaining on this matter and Council members were not allowed to interfere;
- (c) That Council pronounce itself of the overreach and interference of COGTA in the affairs of Mangaung;
- (d) That an investigation is taken into the legally flawed appointment and subsequent remuneration of people into political offices and appropriate action is taken to recoup municipal money from those who enabled this

7G

(e) That Council further takes note that all appointments in the political offices have since been terminated and Acting City Manager will institute a process of appointments in line with recruitment policy of the Municipality and treasury regulations, in the interim temporary secondments into political offices will be considered.

66	CLOSING OF THE SPECIAL COUNCIL MEETING
-----------	---

The Special Council meeting officially closed at 17h05.

**SECRETARIAT UNIT
COMMITTEE SERVICES**