



CONFIDENTIAL

**MINUTES
of a
SPECIAL MEETING**

**MANGAUNG
METROPOLITAN
MUNICIPAL COUNCIL**

**COUNCIL CHAMBER
FIRST FLOOR
BRAM FISCHER BUILDING
BLOEMFONTEIN**

**FRIDAY
JUNE 2, 2023
AT 10:00 (continued on
Wednesday, 7th June 2023)**

**MANGAUNG
METROPOLITAN
MUNICIPALITY**

MINUTES OF A SPECIAL MEETING
of the
MANGAUNG METROPOLITAN MUNICIPAL COUNCIL
held IN THE COUNCIL CHAMBER, FIRST FLOOR, BRAM FISCHER BUILDING
BLOEMFONTEIN
on
FRIDAY, JUNE 2, 2023 (CONTINUED ON WEDNESDAY JUNE 7, 2023)
at 10:00

ATTENDANCE REGISTER

POLITICAL LEADERSHIP			
#	NAME	PARTY	LEAVE
1	<u>Speaker</u> Cllrs Davies (Maryke)	DA	
2	<u>Acting Executive Acting Executive Mayor</u> Cllrs Nthatisi (Gregory Mosala Solomon)	ANC	
3	<u>Acting Council Whip</u> Cllrs Nikelo (Vumile Edwin)	ANC 28	
SECTION 79 CHAIRPERSONS			
4	<u>Remunerations</u> Cllrs Nhlapo (Ntombi Anna)	ANC	
5	<u>Petitions and Community Liaison</u> Cllrs Qai (Alfred)	AIC	Absent with apology
6	<u>Rules</u> Cllr Mokgothu (Tona Kenosi Wilfred)	ANC 2	
MAYCO MEMBERS			
7	<u>Economic Development and Spatial Planning</u> Cllr Jonas (Vuyelwa Eunice)	ANC	
8	<u>Waste and Fleet Management</u> Cllr Letawana (Manthuse Maria)	ANC	
9	<u>IDP and Performance</u> Cllr Morake (Molefi Andries)	ANC	
10	<u>Infrastructure and Engineering</u> Cllr Soqaga (Vusumzi Simon)	ANC	
11	<u>Finance</u> Cllr Titi-Odili (Lulama Magdalena)	ANC	
12	<u>Human Settlements</u> Cllr Tladi (Motshewa Martha)	ANC	
13	<u>Public Safety</u> Cllr Tsoleli (Sibongile Pearm)	ANC	
14	<u>Rural Development</u> Cllr Twala (Pani Sidney)	ATM	
15	<u>Social Services</u> Cllr Mosala (Motlhokung Theodorah)	ANC 11	
16	<u>Corporate Services</u> Cllr Kruger (Caprice Logan)	ANC 16	

PR COUNCILLORS			
17	Cllr Campher (Zaandre MC)	DA	
18	Cllr De-Huis (Dikeledi Jane)	EFF	
19	Cllr De Kock (Valerie Belinda)	FFPlus	
20	Cllr Denner (John Henry)	FFPlus	Absent with apology
21	Cllr Dennis (Magdalena Elizabeth)	DA	
22	Cllr Ferreira (Thomas Ignatius)	DA	
23	Cllr Klaasen (Raynie Sarah)	DA	
24	Cllr Letsoko (Mantwa Sanah)	EFF	
25	Cllr Lipale (Gopolang Jeremiah)	EFF	Absent without apology
26	Cllr Makau (Pitso Elias)	EFF	
27	Cllr Malebo (Deliwe Lettia)	EFF	
28	Cllr Maliela (Motiki Edwin)	DA	
29	Cllr Mathae (Bongani Lawrence)	ANC	
30	Cllr Masoeu (Thapelo David)	DA	
31	Cllr Matsoetlane (Meditaba Joyce)	ANC	
32	Cllr Mogotsi (Mamahlape Elisa)	EFF	Absent without apology
33	Cllr Mohlamme (Lebohang Lerato)	DA	Absent with apology
34	Cllr Mokoena (John Itumeleng)	AASD	
35	Cllr Mongale (Mojalefa William)	AASD	
36	Cllr Moreeng (Kabelo Christopher)	DA	Absent without apology
37	Cllr Mtshakazane (Eunice Xoliswa)	EFF	
38	Cllr Njiva-Lebajoa (Mamotse)	DA	Absent with apology
39	Cllr Phohleli (Tsholwane Eddy)	EFF	Absent without apology
40	Cllr Phupha (Ntsoaki Agnes)	PA	
41	Cllr Maliela (Motiki Edwin)	DA	
42	Cllr Ramatlama (Mpho Joseph)	EFF	Absent without apology

43	Cllr Rampai (Pule Joseph)	ACDP	Absent without apology
44	Cllr Rasoeu (Lempe Ernest)	DA	
45	Cllr Sebolao (Jankie Elisha)	EFF	
46	Cllr Shale (Nkahiseng Reginah)	EFF	Absent without apology
47	Cllr Snyman van Deventer (Elizabeth)	FFPlus	
48	Cllr Terblanche (Arthur Phillip)	DA	
49	Cllr Thomas (Johannes Beleme)	EFF	Absent without apology
50	Cllr Thwala (Zwelinjane Jonathan)	DA	
51	Cllr van der Ross (Kevin Etienne)	PA	Absent without apology
52	Cllr van Rensburg (Corize)	DA	
53	Cllr Viviers (Benhardus Jacobus)	DA	
54	Cllr Vorster (Braam)	FFPlus	
55	Cllr Wewege (Mare-Lize)	FFPlus	
WARD COUNCILLORS			
56	Cllr Sefaki (Samuel)	ANC 1	
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 Nyaphudi (Likeleli Julia)	ANC 8	
62	Cllr Tlhakung (Betty Masetlhabi)	ANC 9	
63	Cllr Setlai (Teboho Lesley)	ANC 10	
64	Cllr Hashatsi (Rafedile)	ANC 12	
65	Cllr Siteo (Nombulelo Dorcas)	ANC 13	

66	Cllr Lekgetho (Lebogang Winston)	ANC 14	
67	Cllr Mohibidu (Pulane Martha)	ANC 15	
68	Cllr Mohatle (Mampone Sally)	ANC 17	
69	Cllr McKay (David Mark Campbell)	DA 18	
70	Cllr Peter (Seth Qondile)	ANC 19	
71	Cllr Pretorius (Werner)	DA 20	
72	Cllr Lotriet (Pieter Adam)	DA 21	
73	Cllr Leech (Dulandi)	DA 22	
74	Cllr van der Walt (Tjaart Botha)	DA 23	
75	Cllr Kotze (Gerhardus Dirk Petrus)	DA 24	
76	Cllr Botes (Francois Rossouw)	DA 25	Absent with apology
77	Cllr van Niekerk (Hendrik Johannes Christiaan)	DA 26	
78	Cllr Banyane (Zachous Nechodemus)	ANC 27	
79	Cllr Tukula (Teboho Daniel)	ANC 30	
80	Cllr Mabena (Mere Joel)	ANC 31	
81	Cllr Menyatso (Thabang Victory)	ANC 32	
82	Cllr Mohono (Tshidiso Augustine)	ANC 33	
83	Cllr Tshwane (Kabi Daniel)	ANC 34	
84	Cllr Fantisi (Teboho Samuel)	ANC 35	
85	Cllr Makoloane (Itumeleng Justice)	ANC 36	
86	Cllr Ramolele (Mmota Simon)	ANC 37	
87	Cllr Matsoso (Molahloane Florenciah)	ANC 38	
88	Cllr Pholoholo (Ntebaleng Petunia)	ANC 40	

89	Cllr Dintlhwane (Mantja Agnes)	ANC 41	
90	Cllr Mothupi (Maqoma Lazarus)	ANC 42	
91	Cllr Nkiane (Mpho Elizabeth)	ANC 43	
92	Cllr Pretorius (Selmé)	DA 44	
93	Cllr Mathe (Lisiwe Jeanette)	ANC 45	
94	Cllr Majoro (Mpho Samuel)	ANC 46	
95	Cllr Kganakga (Mokgadi)	DA 47	
96	Cllr Pretorius (Johannes Christiaan)	DA 48	
97	Cllr Mohulatsi (Mamoorosi Margaret)	ANC 51	
98			
99			
100			
101			

PRESENT

NATIONAL INTERVENTION TEAM

1. NCR
2. Governance Expert
3. Finance Expert

Ms G Malaza
Ms T Cibane
Mr V Kunene

OFFICIALS

1. Acting City Manager
2. Acting HoD: Engineering Services
3. Acting HoD: Transport, ERD
4. Acting HoD: Waste Management
5. Acting Chief Financial Officer
6. Acting HOD: Social Services and Public Safety
7. Chief Executive Officer: Centlec
8. Acting General Manager: Committee Services
9. GM: Internal Audit
10. Secretariat officer
11. Secretariat Officer

Ms NR Dumalisile
Mr W M^cleod
Mr XC Manyungwana
Mr F Nel
Mr L Denge
Ms MA Mafisa
Mr M Sekoboto
Ms X Qilo
Mr G Ntsala
Ms R Mamatela
Ms M Morakabi

AUDIT COMMITTEE MEMBERS

1. Chairperson
2. Member

Ms P Kaota
Ms N Mdaka

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) (Leave 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 (Leave 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).

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**MINUTES
(OPEN COUNCIL)**

78.

OPENING

(MOMENT OF SILENT CONTEMPLATION FOR MEDITATION AND PRAYERS)

The meeting commenced at 10h04 to allow livestreaming of the Council proceedings.

The Speaker requested all to observe a moment of silence. Thereafter she declared that the meeting was officially opened.

NOTED.

79.

NOTICE OF THE MEETING

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

NOTED.

80.

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.

81.

ACCEPTANCE OF THE AGENDA

Prior to accepting the agenda, the Speaker proposed the following changes, namely:

- That before Council accepts the agenda, that they rearrange the agenda in terms of discussions. They first will deal with reports from the Audit Committee (item 86.1) and thereafter allowed members present to be excused from the meeting after their presentation.
- That an addendum to items 83.2 and 83.3: the Service Delivery and Budget Implementation Plan circulated to Councillors be added however it should be through majority vote (Standing Rules and Orders, Rule 8.3).

Cllr E Snyman Van Deventer made the following remark: “This is the worst agenda I have ever received in this Council, I am struggling to refer to items and people have to guess what I am referring to in the agenda. It is really a mess. The Acting City Manager, Acting HOD of Corporate Services, Acting GM: Committee Services did a bad job, and there are also no page numbers especially in the annexures. It is clear that inexperience is the reason for this mess.”

Cllr DMC McKay then commented as follows: “Thank you, Madam Speaker, this addendum is frankly ludicrous, it changes the information completely. All of us have worked on our research and things that have been done with the information supplied. This thing must be removed from the item because we cannot just guess and it is too late for such changes.”

Cllr JC Pretorius was of the same view and further raised the following: “I would like to second Cllr DMC McKay and furthermore express my displeasure in receiving all these documents, two (2) days before this Council meeting. We are instructed by the constitution to do proper oversight and preparation for the work we do. Some of us want to go through every page. The administration have weeks if not months to work on these documents and we are expected to work through them in a day or two. I am really dissatisfied.”

Cllr VE Nikelo commented as follows, namely: “Madam Speaker, in everything that has been raised, I need to indicate that all of us would agree as Councillors that the agenda was sent through the link to all of us whether its two days or not and that was in compliance of the Standing Rules and Orders, which states that the agenda must be issued 48 hours before any meeting and for the fact that we complied with that, it doesn't make sense that the Councillors come and complain as if there is a funeral. We must just accept it, and all the complaints from the Councillors will not be entertained.”

Thereafter the Speaker informed the Councillors that she would not be allowing any point of orders. That a point of order was a point raised by Councillors during Council meeting and shall only relate to matter of procedure however this was a lengthy agenda and complaints raised would be looked into, at a later stage.

Regarding the addendum circulated, Cllr GDP Kotze remarked as follows: “Yes, the Standing Rules and Orders implied that notice to be given 48 hours prior but the addendum we are receiving is only 30 minutes prior and we cannot go through it now and I agree that this item must be removed. The DA would also like to request that item 83.13 and 83.14 be combined.”

Cllr JE Sebolao made the following comment: “Thank you, Madam Speaker. I feel threatened by the way you are going to be conducting this meeting today, as we are not allowed to raised point of order and I don't know how we are going to operate, but my point is on documents, this is not the first time that documents come to us 48 hours and this is a thick document that we are supposed to work and we would not be making justice to what we are supposed to do here. Can the Standing Rules and Orders be amended because they belong to us.”

Cllr BJ Viviers commented that the Standing Rules and Orders need to be referred back as a By-law and to be discussed by the Section 79: Rules Committee.

Cllr VE Nikelo was of the same view and further reiterated that the Standing Rules and Orders need to be amended to include that, documents should be circulated to Councillors 7 days prior to a Council meeting.

Cllr M Kganakga made the following inputs: “Thank you, Madam Speaker, I was just wondering if its possible to add on the agenda, the advertisement and recruitment of our own HODs and on those advertisement we saw that the Municipality which is financially strained have hired a recruitment agency to handle the whole process and they charge a minimum of 12% per post that is advertised. We can approximately pay about R5 million and we don’t have that kind of money. I would like to know how we got to the point whereby we ...”

Cllr MW Mongale addressed the Council as follows: “Thank you, Madam Speaker, tensions are high because its Friday and the people want to go home but the community of Mangaung want solutions to their problems. I am raising this issue to say if I am still on the same item of agenda. I would propose that item 83.10 should be withdrawn because its not in Regulation 10 read together with Regulation 7 that stipulates that immediately after items have been brought to Council for advertisement, and Council takes a decision, within 14 days, those positions should be advertised and that did not happen.

You are creating a panel to come and break the law, I am disappointed that the NCR team is here and the two Ministers were here, they said they are giving us a team of experts but they are not helping us. We are not going to discuss this with emotion, people must state facts. In terms of regulations, we are making an error here and people can try to vote for this error but they will find themselves in an embarrassment in the next seating where people will be told that they are financially liable for the mess they created.

The following item is also an error which is regarding staff establishment because there are clear regulations that the Minister have provided and we need to follow a particular process before serving this to Council. We should have done our part to give this to the Minister to confirm that our organogram is in compliance with the guidelines that were provided because we are under the Financial Recovery Plan. We seem to act like we are not under any mandatory recovery plan and which is recklessness even on the side of NCR.”

The Speaker indicated that this was only acceptance of the agenda and the items on the agenda are of the Acting Executive Mayor and therefore can only be removed by him.

Cllr BL Mathae stated the following: “Thank you, Madam Speaker. I want to move for the adoption of the agenda with all the amendments. I wanted to bring to the attention of the meeting that the item in question which Cllr MW Mongale was canvassing for its removal, is for the Acting Executive Mayor and only him reserves the right for its removal. I want to propose that we adopt the agenda and if any items should be referred back for further consultation, that will be done, but we have canvassed for all issues that had to be brought toward in this Council.”

Cllr E Snyman-Van Deventer requested that the declaration of interest to be included in the agenda, as a standing item as per the law.

Council thereon voted 47 in favour, 34 against, 0 abstained for the inclusion of the addendum on items 83.2 and 83.3.

Thereafter Council voted unanimously for simultaneously discussing two items. Cllr ME Dennis moved for the adoption of the agenda amending the order of discussion and was seconded by Cllr BL Mathae.

NOTED.

82.

ANNOUNCEMENTS

The Speaker made the following announcements, namely:

- That they tried their best to secure interpretation services for the meeting, unfortunately they procured the services of a local service provider who did not have all the necessary equipment thereon and that in the future, they would ensure that interpretation services were made available in all Council meetings. Therefore requested Councillors to address the Council in the language understood by all, in English.
- That on Sunday, the 4th of June, there would be public hearings on the climate change bill, B9 of 2022 at 10:00 in Botshabelo, Samson Sefuthi Hall and Councillors were encouraged to attend the hearing. She further requested Councillors to make communities aware and that transport was being arranged for the Wards 31, 32, 33, 36, 37 and 38 from 9:00 Sunday, the 4th of June.

Cllr VE Nikelo also announced that on the 3rd and 4th of June, there would be an open-voter registration in Wards 7, 29, 49 and 50.

Thereafter, the Council conveyed well wishes for official in the Seretariat Unit, Committee Services, Ms R mamatela as it was her birthday.

NOTED.

83.

REPORTS FROM THE EXECUTIVE MAYOR

1.

APPROVAL OF MANGAUNG METROPOLITAN MUNICIPALITY DISTRICT DEVELOPMENT MODEL ONE PLAN

The Acting Executive Mayor, Cllr GMS Nthatisi stated that he was withdrawing the item as it was only circulated to members and therefore did not afford them enough time to peruse the documents.

After this, Cllr E Snyman van Deventer requested a 30 minutes which was granted by the Speaker. Thereafter Cllr DM McKay provided feedback as follows: “Thank you Speaker, I would like to give feedback. I know it’s not standard but we have a request. Regarding the legal documents, executive Acting Executive Mayor is it possible that you could formally withdraw or replace the previous documents and it must be minuted as such to avoid further contradiction. Secondly can we have a valid reason for the addendum to council and what was the cause of this intrusion to the normal protocol.”

The Acting Executive Mayor committed himself that he will provide Councillors with a written reason as to why the addendum was only presented to the meeting late.

WITHDRAWN.

2.

REVISED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2022/2023 (PERIOD 01 JANUARY – 31 JUNE 2023)

Cllr MA Morake addressed the Council as follows:

“Madam Speaker, as the Council, we are governed by various pieces of legislation. On this item of Revised SDBIP, Chapter 7, Section 54 (c) of the MFMA talks to early warning signs that the Acting Executive Mayor has identified following the adjustment budget and both Section 71 and 72 reports as approved in January and March respectively.

Additionally, this revision was informed by other matters which were raised by the internal Audit unit and the Auditor General. As the custodian of this portfolio, it is my responsibility to ensure that we curb down on the non-spending by Departments and that all allocations as approved by this Council are spent and all projects are implemented and that when we prepare for the audit in the next few months, the objectives of the City are met with credible evidence both on paper and physically. This also plays a huge role in the finalization of the IDP and Budget as it will indicate where the projects that are not properly funded are prioritized for continuity. Honourable Speaker, with these few words I therefore support this item as presented by the Acting Executive Mayor. Thank you, Madam Speaker.”

Cllr JC Pretorius presented as follows, namely:

“It is well known that the City of Mangaung lacks a proper Performance Management System. It is truly hoped that this can be corrected by the newly appointed Acting City Manager. Without a functioning performance management system, several intended functions of the SDBIP are wasted. It is imperative that the reviewed SDBIP informs the performance agreements of the City Manager and Senior Manager. I beg to ask the Interim Acting Executive Mayor if there are performance agreements in place, aligned to the revised SDBIP, with the Acting City Manager and Heads of Departments? It is crucial as the SDBIP and performance agreements go hand-in-hand.

I have previously made the case before Council that this administration firstly, sets very low service delivery targets for itself, and secondly, manages to fail in reaching these low targets. These targets are at times formulated so vague that it would in any case be very difficult to assess any progress thereon.

A word of advice to the administration, listen to the basic needs and wants of the community and prioritize them in the SDBIP. Rather than having a plethora of objective under each department, focus on a few targets which will have the largest positive impact on the residents of Mangaung. Prioritize and set target which will bring an immediate increase in service delivery to the City, that will bring investment to the City and that will curb the loss of economic and social opportunities.

The DA's stance is that we should focus on getting the basics right in Mangaung. Section 153 (a) of the Constitution states: *“a municipality Must structure and manage its administration and budgeting and planning process to give priority to the basic needs of the community, and to promote the social and economic development of the community”*. Importantly the sector states the municipality must and not ‘if it wishes to’ and clearly makes a distinction by stating priority must be given to the basic needs of the community. Delivery of the most basic of services remain the 101 of local government.

This is what residents, business and the DA has been calling for years. If one takes cognizance of the verbal submissions by stakeholders at the IDP public hearings, and the written comments of residents, the business community, schools, neighbourhood association and ward committees, they all have one thing in common, that MMM must get the basics right. The basics refer to the supply of clean and reliable drinking water, provision of a stable electricity network, quality roads and transport network, regular removal of waste, and very importantly a clean and safe environment to live, work and play in.

Referring back to Section 105 (a) of the Constitution, noting the emphasis on the basic needs of the community, and the decay of basic infrastructure within MMM, it is critical that MMM should prioritize in terms of critical infrastructure:

Water security in MMM: a strong focus should be placed on ensuring the long term water security of Mangaung. At current the SDBIP paints a bleak picture of water security in the Metro. The Dam safety reports need to be completed, upgrading of the Maselspoort Water Plant needs to be prioritized; this includes increasing the water delivery capacity of the Maselspoort plant to lessen

7B

the dependency on Bloem Water, the upgrading and maintenance of all reservoirs, lines and pumpstations, and the operationalization of the Naval Hill Bulk Water Reservoir. Furthermore, the alarming fact that around 4,700 water meters in Mangaung are not connected to the City's billing system and are most likely not being billed. Add to this alarming figure that close to 45% of all purchased water in the Metro is lost.

Sewerage infrastructure in MMM: similarly to water, sewerage infrastructure needs to be prioritized to prevent a catastrophe in Mangaung. The recent outbreak of Cholera across the Country should serve as a wake-up call to the administration to prioritize the development and upgrading of all our waste water treatment plants across the Metro. The development of the Sewer Master and Development Plant is urgently required.

Road infrastructure in MMM: the City needs to get its arteries working again. This can be done by the proper re-sealing of roads to prevent further deterioration and a strong focus on the main and other high traffic roads within Mangaung. Our roads network is critical to ensuring the City moves forward.

Electrical infrastructure: Our local network needs to be upgraded to ensure it can handle the continued pressure due to the failures of national government. The revised SDBIP is unfortunately silent on targets for alternative sources of energy and plans to protect the residents in case of a nation grid-failure. Contingency plans and therefore targets in the SDBIP are urgently required in this regards.

A DA-led government in Mangaung will focus on getting the basics right to move Mangaung forward and provide better opportunities for all who live, work and play in it. The DA cannot support such vague and low reviewed targets for service delivery. Our residents deserve much better.”

Cllr VB De Kock addressed the Council as follows: “Thank you Madam Speaker, as we all know, service delivery in the ANC-led government is at an all-time low. This is unacceptable and our residents deserve better. As Councillors, it is our responsibility to ensure that our residents receive the best possible services within our means. The ANC cannot continue making excuses for their failures, nor can they delay implementing critical KPIs due to poor budgeting and continued administrative delays. The fact that the executive is trying to eye-blind us and trying to force us to deliberate on a report that is served to us 30 minutes before meeting starts proves that ANC has no capability to serve our residents. We as the FFPlus reject this attempt by the ANC to make empty promises to residents.”

Cllr MW Mongale stated the following: “Thank you, Madam Speaker. I am going to sound like a scratched CD. Those who follow me on Facebook will see that I am repeating what I said and it will sound as if I am not doing my job, but the reality is that we are preaching to deaf ears. We keep on raising issues, there seems to be no movement, no improvement and commitment to fixing the problem. An example is that the new Acting Executive Mayor just opened a new and unfinished Vereeniging Road, there is still a lot of work happening but the red ribbon has been cut. SA thinks the road is open but they are not aware that the job is not yet complete. That is the culture that we are entering in wherein people claim unfinished to be finished.

The other issue is our roads, it's a disaster. Freedom Square is a disaster, I know the Acting Executive Mayor went to Bophelong to try and remove the refuse there but all we could see is the heaps, we went to Freedom Square next to MUCCP and there were also heaps, we went to Phase 4 and we also saw heaps. Now it is clear that this Municipality will be popular for making mountains of refuse in our community due to lack of commitment and there is no passion in terms of helping our people.

There is also a possible outbreak of cholera in Mangaung. Our people are living in sewerage and I know some people will laugh because they are comfortable, but the reality is that our voters are living with sewerage in their homes and this is not a joke. Laughing in this Council shows that you don't take our residents serious. I am raising these issues because I feel like our voters voted for us to improve their lives. We need to emphasize the need for monitoring and measurement of performance to make sure that we can claim a performance bonus. I realised in court that we have so much energy, only if we could redirect it to necessary."

Cllr TO Machachamise stated the following:

"Madam Speaker, this Council has received a clear mandate from the communities in the City. As such, this necessitated proper scrutiny of the Municipal program's to realign with the community aspirations as collected during the public platform regarding the IDP; amongst other concerns raised was the Internal Audit and comments from the Auditor General as the foundation for this report, along with several issues. Moreover, the adjustment budget was the biggest necessity to ensure that all our projects are aligned with the current budget and are well resourced.

Moreover, we should always prioritize this budget reallocations and reprioritization to ensure that all funds approved by this council are spent, and no money will be sent back to National Treasury, and this will enable that all projects are completed, and the City does not find itself having to request rollovers. In conclusion, this revised SDBIP must be able to realize the City's five (5) IDP objectives and additionally expedite the implantation of the financial recovery plan. Thank you, Madam Speaker."

Cllr DMC McKay made his address as follows:

"Madam Speaker, through you to the Acting Executive Mayor, I think you would agree that in essence this item reflects how well the Municipality is functioning and/ or providing basic service delivery by the governing parties political and administrative structures. That being the case, this document does not reflect the needs of the residents, but rather that of an administration that has arrogantly pursued an implantation plan that is backed by an unsustainable, therefore unfunded budget and does not align to the IDP, as pointed out by the DA and other stakeholders on several occasions.

Acting Executive Mayor, while I commend you on your clean-up campaign, there are much larger more life-threatening issues at play such as the Wastewater Treatment Works that have still not been refurbished although work is finally commenced.

The roads in the rural areas in both the townships and per-urban areas are unnavigable. Centlec and other emergency services vehicles regularly get stuck in the muddy trials that once were gravel roads. Yet there still is no earth moving equipment purchases or repairs being implemented to address this situation. Instead, the much needed and promised upgrade of the Spitskop/ Bainsvlei / Mooiwater stormwater channels and roads has been completely crossed of the SDBIP. There has not been a TLB available for six(6) months to clear the storm water channel. The Metro does not even own a compactor and 90% of the graders are broken. All this while only 30% of national grants have been utilized. The situation is ludicrous, the homes of residents are flooded every time it rains 3mm or more. This administration is responsible and will be held accountable.

Overtime has reached a staggering R70 million but the outsourcing of subcontractors that could both alleviate the pressure on the backlogs and overtime is severely underspend. Surely it would make sense to replenish the fleet of especially water and sanitation so the staff compliment could operate at its maximum capacity to clear the huge backlogs and thus save R400 million in water loses and clear the City of the lingering stench of sewerage that is spilling out of every nuke and cranny. Yet none of that is seen in the implantation plan. The Metro would rather not spend the grants and lose them. Engineering Services received a 9% performance rate, shocking, absolutely shocking! The state to me as if I were a 2-year-old, because I failed to see the logic! The incompetence however is clearly visible and prevalent!

I could go on Acting Executive Mayor but unfortunately my time is limited, in closing however, I would like to know how Human Settlements will be able to complete 39 projects in one quarter if thus far they have only managed to complete five (5) above target in the last 3 quarters and the Section 80 has only met once? The DA will not support this item due to the complete lack of implementation and accountability it reflects!"

It was thereupon with 47 votes in favour, 27 against and 6 abstained

RESOLVED that Council

- (a) Approves the Revised SDBIP 2022/2023.
- (b) Notes that the revised SDBIP will be submitted to both Provincial and National Treasury.
- (c) Notes that the revised SDBIP will be published on the municipal website.

3.

MFMA : SECTION 52(d) SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN THIRD QUARTER

Cllr MA Morake presented this item as follows: "Honourable Speaker, Acting Executive Mayor, Chief Whip, Mayoral Members, Councillors, Officials and the Mangaung Community.

The Municipal Finance Management Act 56 of 2003 and the National Treasury MFMA Circular Number 13 on the Service Delivery and Budget Implementation Plan (SDBIP) requires that the municipality must prepare an SDBIP indicating how the budget and the strategic objectives of the Council will be implemented.

Based on the above, the SDBIP must include the service delivery targets and performance indicators for each quarter. This is an integral part of the implementation and entrenchment of our performance management system. This same report enables the Municipal Manager to monitor the performance of senior managers, the Acting Executive Mayor to monitor the performance of the municipal manager and for the community to monitor the performance of the Municipality as each activity contains outputs, targets and timeframes. As the custodian, I want to indicate that the 3rd Quarter, Section 52d, still show a stable average performance of 59% when compared to Quarter 2 of 56 %. I still encourage this council to work together with the administration to improve the challenges that are still a threat to our City. Furthermore there are HODs who were seconded and they are not working and they are never available, it is important that they be withdrawn. As such I support this item as presented by Acting Executive Mayor. Thank you.”

Cllr RE Rasoeu made his address as follows:

“Thank you, Madam Speaker. The report is late, according to the MFMA the report is supposed to be tabled within 30 days after the end of the quarter, therefore the City is failing to comply. The report has to be tabled on time and must be served in the necessary committees, not as a box-ticking exercise. There must be POEs submitted and evaluated in the necessary committees so that necessary intervention can be determined in the next quarter. Targets must be set and must be benchmarked against baseline information. The Municipal Systems Act talks about creating a culture of performance, in other words, the City must measure delivery, efficiency and accountability.

It is important that line departments understand what they need to do and when and who takes ownership. If departments plan and set targets in advance and accurately, finance department can prepare credible budgets and plan their supply chain processes against agreed standards.

Madam Speaker, it is high time that the city perceives the SDBIP as the organisational performance management tool. In the city we should prepare the SDBIP not only for compliance but to make sure that the City has indeed implemented measures to monitor service delivery. It is fundamentally important to ensure that the processes are integrated and that the objectives set in the IDP are alike in the SDBIP as well as other performance management processes and systems. We are therefore against the report for it falls short of the mentioned and we vote against it.”

Cllr VB De Kock made the following inputs:

“Thank you, Madam Speaker. The report shows that out of 198 projects, only 11 exceed expectations and 91 projects were below standard, this is unacceptable for us as Councillors and for the residents. Engineering Services only achieved 17 percent in the 1st report and 29 percent in the 2nd report due to procurement of service providers and budget constraints.

Fleet and Solid Waste Management achieved 87% but faced challenges due to limited resources such as vehicles and supply chain processes. Planning for most projects was postponed for the next financial year but still managed 67% performance. We are very disappointed by the 25% of corporate services.

Centlec also postponed projects to the next quarter and some to the next financial year. Factors that hamper performance include finalization of contracts, delayed service provider payments, ineffective credit control policies and re-budgeting. Most township establishment projects are still in planning phase and awaiting comments from stakeholders.

A concern is that rehabilitation projects will be moved to a new financial year, which new financial year? Looters are destroying what is left of that heritage site. Mangaung could benefit from the completion of this project. We note with gratitude the 5% progress made by the Botshabelo fire station, we need all the fire stations to be fully equipped. We can only appeal for the appointment of sufficient staff in this Department.

A great concern is the delay due to slow progress by contractors and expiring of consultant contracts, proper oversight by council could minimise this but only allowing us to take note of supply chain management after the fact doesn't allow oversight. We are concerned by the non-performance of most of the roads, water and sanitation projects. Upgrade to all handful funds to be transferred to priority projects? Can we get more clarity on these priority projects. After promise of the IPTN bus project that was supposed to be taken into use, different phases of these projects also show very little progress, after millions of rands were already spent.

Through you, Madam Speaker to Cllr MA Morake, just as HODs are not attending Section 80, a number of them had no quorum due to ANC Councillors not attending, so shouldn't they also go? In summary, it is clear that the national intervention imposed on this Metro bears no fruit, this report shows regress from the previous report. Shows that the ANC is losing this first and they are busy drowning our residents in sewer potholes."

Cllr MW Mongale addressed the Council as follows:

"Thank you, Madam Speaker. I will avoid repetition in this speech and it is safe to say that the commitment for this council to serve of Mangaung cannot be compromised and is not negotiable, you can't have a Council that is giving business to people outside of Mangaung whereas the voters are Mangaung people. The fact that there is what the Council claims to be improvement whereby there is an improvement of 55% on 198 projects is an embarrassment, and it is not worth celebrating.

The role of national intervention in this case is important and we want to know what was their role in this failure. The minister said that he will provide a team of experts and we would like to see their expertise. We also have a national cabinet representative that also lost the plot along the way and tried to play politics instead of assisting us in terms of financial recovery plan. If issues were like horses I would tell the minister that next time when there is a national cabinet rep must be a multiparty coming from national and not individuals that can be trapped into taking sides.

The Section 80 Committees that are not sitting, the Acting Executive Mayor, this is upon you, the Section 80 Committees are not sitting and items are being javelined out of your office which is unacceptable. If the Section 80 Committees becomes functional, there will be minimal tension in the Council because everyone will know what the report is about.

The economic growth in Mangaung that is said to be at 33% is no surprise in fact it will be worse if something is not done in MMM, we have been saying there must be an investment summit, there is no way you can be financial sustainable if there is no plan of improving finances. The issue of the financial health improvement in Mangaung cannot happen and we should not try to fool ourselves when we have proper performance management procedures, Section 80 Committees and proper appointments of City Manager and HODs. We need competency and we are worried that there is no budget for economic and rural development, who is fooling who, here? We will not support this SDBIP because it does not address the needs of the people of Mangaung, we will not support the robbery that is happening here where even national intervention is no longer serving the purpose they were sent here for.”

Cllr JE Sebolao stated the following:

“We are outraged by this report since it completely misrepresents the situation in Mangaung Municipality and is full of lies. Frantz Fanon says in black skin white mask, “The oppressed will always believe the worst about themselves.” As a results, whenever something positive occurs in this municipality, we continue to receive dire and false stories, meaning we are mentally enslaved that we even create false reports to look as if we are competent.

They do not even list the projects that have been accomplished, for instance, and even worse, most of the things are just partially or never completed, yet they are not noted in the report. Our calculations shows that only 34% of their projects have been finished, which is appalling. Take Planning as an illustration, from Soutpan, Thaba Nchu, and Bloemfontein to Naledi dololo(nothing) let them tell us which informal settlements have been formalized. They should also show us the property that has been designated for such formalization. I want to thank MMC Cllr VS Soqaga for listening to Council who frequently visit his office opposition Councillors.

I want to speak about a project in ward 17 studio main road. The road was abandoned in December as community is inconvenienced. The key message we tried to get through was, “ let`s stop fabricating reports; we`re not that ignorant or blind. As the EFF we reject this report. Thank you.”

Cllr TO Machachamise addressed Council as follows:

“Honourable Madam Speaker, Acting Executive Mayor, Mayoral Members, Councillor, Officials, and community of Mangaung. Madam Speaker, the heaviest part of the pyramid is at the bottom of it. Thus, local government as a sphere of government is faced with unprecedented challenges. I provide this analogy after thoughts shared by this political leadership under the auspices of the African National Congress. This team interprets the existence of Local Government in two dimensions, namely:

- (1) the recipients of grants from the national sphere of government and
- (2) to provide municipal services to communities.

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The tabling of this report therefore Madam Speaker, means that the Mangaung Metropolitan Municipality's Leadership understands that it is important to account on the above-mentioned dimensions, to communities and other development protagonists about the performance of the City.

Through this Section 52 (d) Service Delivery and Budget Implementation Plan (SDBIP) for third quarter ended March 2023, it will be wrong of me, if I don't concede to the lateness of this important report. As the Council we should improve on our turnaround times to process this compliance report within stipulated timeframes especially as per the approved process plan. Within that been said, today we finally table the 3rd quarter report within an overall achievement of only 59%.

As the City we can do much better regarding the performance and mostly the provision of Municipal services. It is clear based on the remedial actions provided that we are still confronted with lot of challenges. However, the resilience of our Municipal staff on the ground and that of the community of Mangaung shows that working together can change the fortunes in our Municipality. This is evident of the Acting Executive Mayoral clean campaigns in the last few weeks.

We shall therefore relentlessly pursue the desires that our citizens have identified during the various participatory platforms of the IDP, which amongst others and at the apex were on infrastructure related projects in our various communities. As a caring local government, we will continue to work hard during the term of office. As such the report is supported. I thank you, Madam Speaker.”

Cllr TB Van Der Walt raised the following critical issues:

“This report is on the non-performance of the acting HODs overseen on a daily basis supposedly by the Acting Executive Mayor. The DA and residents of Mangaung are disgusted in the report and the horrible circumstances and at the same time, hopelessly optimistic performance reported in it. If it was not for the dozens of community groups and volunteers who spent hours of their time and millions on trying to keep some areas clean and safe, the entire City would be a dump, completely overtaken by potholes, pests and snakes.

On the ground, nothing has changed, main roads are still without any road markings and potholes remain in main roads like Nelson Mandela as reminders of the billions the ANC cadres have syphoned over the decades. Sewerage continues to flow down the streets. Supervisors, managers, GMs and HODs and now the Acting Executive Mayor and MMCs still ignore our messages, calls and emails, or they note our notifications then delete them. The ANC is always ready to disburse resources only when it benefits them. Twelfth (12) months in the national intervention of the cabinet under Ramaphosa, clearly the entire cabinet of South Africa is unable to halt the collapse of the City, never mind the Country and ESKOM.

Please show me one resident who agrees that spatial transformation reached 69%, while the City still has no digital system for lodging and storing of digital building plans. While we still budget for the infrastructure investment based on a 2009 masterplan and have no infrastructure capacity analysis to determine areas with excess or shortage of capacity.

Financial performance of 69% while a few 100 student house owners in Universitas were accredited to receive half a million per year, per house from NSFAS for accommodating students yet there is no debt collection taking place, why should their neighbours pay rent? 64% for service delivery improvement, in which parallel universe are you living?

Why is Council not received the quarterly MPT required by-law? Why was the replacement of obsolete and illegal traffic signs were removed if there is a dire need for those, why has no critical intervention made regarding Supply Chain Management? There are noise pollution cases that need to be taken to court, has this been solved? Our roads are death traps. Why has traffic not compiled a list of critical intersections and peak times when they are affected by load-shedding. Thank you, Madam Speaker.”

It was thereupon with 47 votes in favour, 33 against and 0 abstained

RESOLVED that Council approves the MFMA Section 52(d) SDBIP 3rd quarter report (01 January – 31 March 2023).

4.

MANGAUNG METROPOLITAN MUNICIPALITY ADJUSTMENT BUDGET – MAY 2022/23

Cllr LM Titi-Odili addressed the Council as follows: “Thank you, Madam Speaker. The purpose of this report is to inform Council of the Municipality’s 3rd quarter, actual performance 2022/23 financial year. The objective is to ensure good governance, financial visibility and optimal institutional transformation which capacity is to execute mandate. In this instance, the ANC acknowledges the report and the challenges that are in the report. If we check now, we can see that in the capital budget of R972 million, we only spent R388 million, which is taking us to 29% as the City, which is in terms of the norm, we are far from reaching the norm, the issue of spending is not in good standard.

As we speak, we are still sitting with R9 billion debtors that we are owed by residents which is R6 billion, government R1,4 billion, and business R1,6 billion; that is a lot of money that we must collect as a City and we started engagements with provincial government that we must really have a draft agreement between us in terms of payment, because we have a similar payment agreement with Bloemwater.

In June 2022 when we were passing the budget, we had creditors that we owed R763 million and now we owe them R396 million. We believe that there are creditors whom their invoices are not yet captured. The issue of salaries that the City doesn’t care, we are around 180-190 per month which the portfolio committee addressed, even the issue of overtime, I know that the LLF and the intervention and Acting Executive Mayor are working on it, the issue of the shift-system must be implemented.

The issue of overtime is in the hands of the Auditor-General and will cause regression. As this Council, we are going to be in trouble with the Auditor-General. If we check the issue of outsource services, we must stop using those services as it leads to overspending. We are implementing measures to curb overspending. As the ANC we are saying this is the report that we are bringing to make sure that we are visible and transparent in terms of reputing to the community of Mangaung, we heard the section 52 report of performance and it’s not far from the report that I am reporting now in terms of spending.

Thank you, Madam Speaker.”

Cllr D Leech made her address as follows: “Thank you, Madam Speaker, it is with great concern that we note yet another adjustment budget for this financial year, although this budget is to make provision for technical services, fleet and land fill sites, emphasis should be put on the fact that this is merely re-purposing of funds and not acquirement of additional funds. To the contrary, these funds would have been lost to underspending and mismanagement.

This Metro managed to only spending 29% of its capital budget but don’t worry, the NCR has a plan that convinced National Treasury to not take the R174 million and further convinced them that before the financial year ends, they will spend 70% of the remaining funds. There is a capex war room and they intend to redress our past mistakes by meeting once a week, re-purposing funds and shuffling money before the books close in 7 weeks.

They are not intending to focus the money on what is needed most, such as water purification systems, sewerage, roads and refuse; no this exercise will be to simply spend funds where it is easiest and where they know the relevant departments has an ability to do so.

There are no consequences for departments, HODs who are not performing in critical areas. That being said, we are grateful for National Treasury for the funds to stay in Mangaung, we note the specifications that R80 million is earmarked for technical services and R67,5 million for fleet and land fill sites. It has been indicated funds have been allocated to acquire fleet for solid waste but the order has not been placed.

We will however monitor the situation to ensure that the funds are spent on that they are earmarked. History has proven that the Metro tends to misuse funds. The Metro is still paying the R128 million of the R377 million in grants which was underspent. We are still awaiting proof that the rollover grant has been utilised as prescribed, the amount of R125,9 million was earmarked for fleet, resealing of roads and waste water treatment. Thank you, Madam Speaker.”

Cllr B Vorster raised the following: “All protocols observed. It is with great concern for the FFPlus, that a budget had to be adjusted for the 2nd time this financial year due to a decrease in revenue. The first adjustment was needed due to the decrease in electricity revenue. Now a second budget is needed due to the decrease in the allocation of conditional grants. There is a reduction R75 million on informal settlements partnership grants, the FFPlus welcomes that R145 million is withheld for the urban development settlement grants, but redirecting these funds to 2 critical projects is just moving the funds around.

The problem is that the original budget made provisions that the funds were allocated to Social Services, Planning, Human Settlement, roads and stormwater and water projects. Unfortunately these are now a decrease in allocations to these departments. The FFPlus reminds this Council that, the previous Acting Executive Mayor indicated that an adjustment budget will be drafted by August due to additional funds that the City will receive from the national government, however the opposite happened and we have to adjust again because there is a decrease in the funds from national government.

It is now clear that this project was not funded. The administration leadership of the ANC must understand that if we do not spend our grants, the Metro will receive less funds from national government in the next financial year. If there is a decrease in revenue there should be a decrease in expenditure and if there is a decrease there will be a decrease in service delivery. The FFPlus does not support the adjustment. Thank you, Madam Speaker.”

Cllr MW Mongale indicated the following, namely: “Thank you, Madam Speaker. I wanted to say I am covered but I am disturbed by the word “Freedom Square” on the document so I don’t know what it is a result of a possible by-election. The problem of freedom square did not start this year but it has been there for ...

I am just worried that money should feed the purpose it is intended for, our people in Freedom Square cannot be used as voting cattle because they are situation is worse than what has been reported here including the roads there and sewerage systems.

I am of the opinion that we cannot support this adjustment on the basis that it has been submitted late and we are of the view that it will not serve the purpose it is intended. We reject this adjustment budget.

Cllr SQ Peter stated as follows: “Thank you, Madam Speaker, we are actually tabling this adjustment budget under difficult situations whereby many people and communities are concerned about lack of service delivery and others are saying the municipality is underspending on certain grants including unpaid creditors but we should indicate that there are a number of factors that led to that but subsequently we need to indicate something to this house and the municipality that this adjustment is legislated in terms of section 28 of the MFMA it determines the following:

- a municipality may revise and approve annual budget through an adjustment budget
- must adjust the revenue and expenditure estimates downwards if there is a material under-collection of revenue during current year
- may authorise the utilisation of projected savings in one vote towards spending under another vote.

We are doing precisely this because we are legislated to do that if there is certain money that has been used elsewhere, so we can re-purpose it. I am saying this because I have been listening to previous Speakers and we are supposed to be excited about this issue because we have been complaining about the sewer spillages, the issue of landfill sites. This adjustment budget is here to address that because if you look at the allocation of funds, it speaks to that, notwithstanding the fact that we have challenges wherein certain money was not spent. The past 2 months we couldn't do anything because the city was very unstable and this Council is aware of that. It is important that this budget is approved. It is important to explain to the citizens of Mangaung that we need to approve this budget because if we do not, we will be denying them an opportunity to have those services in the affected areas. We must indicate as the ANC, we are moving forward, as a result we are saying to approve this adjustment budget so that the citizens can have this service delivery. Thank you, Madam Speaker.”

Thereafter the Speaker commented as follows: “I just want to draw the Council to item 13.3 of the Standing Rules and Orders that says, any matter referred to in Section 160, Section 2 of the Constitution shall be decided by a majority of Councillors in Council. This includes voting with regards to Council, so a majority of councillors in council and we are 101 Councillors in Council, so we need a vote of 52.”

Cllr SQ Peter contested as follows: “Madam Speaker, you need to revise what you just said in terms of 101. If my memory serves me well, in our March Council and also subsequent to the Council of the 14th, we now have 97 Councillors in this Chamber. Considering the fact there were vacancies of 4 councillors.”

The Speaker suggested for the voting of the adjustment budget to be parked pending a legal opinion regarding the way forward

At this point of the meeting the Speaker presented the legal opinion as was requested in earlier discussions:

“That Section 162 of the constitution it reads: the following functions may not be delegated by a municipal council and that is the passing of by-laws and the approval of budget and so forth. In section 163(B) , all questions concerning matters in subsection 2 are determined by a decision made by municipality which the majority of vote of members. Section 163(C) also says provides a majority of the votes decide all other questions by a municipal council. What it says is that the procedure envisioned in 163(C) is that if the motion does not concern any of the functions in 162, a majority of the votes cast can take a decision. The revision of the approval of the annual budget through adjustment budget is not one of the matters referred in 162 of the constitution. In these circumstances, the revision of the approved annual budget fully comply with the provisions of the section 163 of the constitution. Because it is an adjustment and not an annual budget, a vote will suffice.”

Cllr E Snyman-Van Deventer indicated her dissatisfaction with the legal opinion presented by the Speaker and furthermore stated that the matter will be referred to court for further deliberations.

It was thereupon with 48 votes in favour, 17 against and 10 abstained

RESOLVED

1. 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;
2. That Council approves changes as contained in Table B1 to Table B10 as well as all other supporting schedules for the Adjustment Budget.

RESOLUTIONS

- 2.1 That the original budget as approved on 22 June 2022 be adjusted accordingly. Operating Income be decreased by R163,37 million to the revised amount of R8,65 billion. The Operating Expenditure be decreased by R62,43 million to the revised amount of R7,97 billion. The Capital Expenditure Budget be decreased by R39,65 million to the revised amount of R1,24 billion for the 2022/23 financial year as set out in the following tables:

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Table B1	Consolidated Adjustment Budget Summary	8
Table B2	Consolidated Adjustments Budget Financial Performance (Revenue & Expenditure by Municipal Vote)	9
Table B3	Consolidated Adjustment Budget Financial Performance (Standard Classification)	10
Table B4	Consolidated Adjustment Budget Financial Performance (Revenue & Expenditure)	20
Table B5	Consolidated Adjustment Capital Expenditure, Budget by Vote and Funding	23

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

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Table B6	Consolidated Adjustment Budget Financial Position	24
Table B7	Consolidated Adjustment Budget Cash Flows	27
Table B8	Consolidated Cash Backed Reserves/Accumulated Surplus Reconciliation	28
Table B9	Consolidated Asset Management	29
Table B10	Consolidated Basic Service Delivery Measurement	32

5.

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): PRELIMINARY BUDGET AND PERFORMANCE ASSESSMENT REPORT IN TERMS OF THE MFMA, SECTION 52(D), FOR THE QUARTER ENDED 31 MARCH 2023

Cllr BJ Viviers made his address as follows: “Honourable Speaker, through you, Acting Executive Mayor your report is late it should have served before this Council 30 days after the end of March 2023. There should be many excuses like you were not the Acting Executive Mayor, another Acting Executive Mayor was interdicted, Deputy Executive Mayor was expelled etc. Bottomline the report is late, and you are not complying with legislation more specifically the MFMA.

To add insult to injury, the Municipality is under National intervention, and we did have a National Cabinet Representative during March and April 2023. Why did they not take the lead to make sure that there is compliance with legislation? The same applies for the Accounting Officer. Maybe the most important question is shall this fact be communicated to the National and Provincial Treasury?

Current stance of MMM Debtors:

End December 2022- R 9,248 Billion

End March 2023- R 9,705 Billion

Growth - R 457 000 000,00 in three months

Domestic

End December 2022- R 6 246 247 992.00

End March 2023- R 6 567 212 445.00

Growth- R 320 964 453.00 in three months

Business

End December 2022- R 1 591 485 615

End March 2023- R 1 684 054 790

Growth- R 92 569 175.00

Government

End December 2022- R 1 409 819 527

End March 2023- R 1 454 052 649

Growth- R 44 233 122.00

It is quite clear that there is no Effective Debt Collection from MMM. The Credit Control and Debt Collection Policy give clear direction regarding handover to debt collectors after accounts are more than 90 days due. However, it would seem that MMM only attend to handovers for so-called soft debt collection as described in bullet 22 of the above-mentioned policy and not attend to handover of debt for formal litigation processes as defined in bullet 22(2) of the above-mentioned policy.

As long as this stays the stance of MMM, Debtors of MMM will just grow annually with much more than the almost half a Billion Rand that it grew in three months and any budget being approved that even remotely rely on the outstanding debt being collected will be unfunded and will lead to adjustment budget on adjustment budget, due to fact that MMM inflate their Budget in the believe that outstanding debt will be collected. Maybe the Credit Control and Debt Collection Policy mentioned should also be revered to the Section 79 Rules Committee so that the policy be altered so that Government debt can also be handed over for debt collection.

Oops, but unfortunately through you Madam Speaker, Acting Executive Mayor your Section 80 Committees and Council's Section 79 Committee struggle to reach quorums due to you party members not attending these committee meetings. Creditors situation is better congratulations. Is this congratulations valid though in the bigger scheme of things? Ratings Afrika found that Mangaung Metro on financial sustainability for the 2022 annum only stood on 24%. Last of all Metros, even if Tshwane is also at 24%, because the previous year's Mangaung Metro have been just as much financially unsustainable.

ANC led Metro, Accounting Officer and NCR to take the little bit of income that we receive and pay Creditors so as to brag at National and Provincial Treasury that our Creditors situation is taking a turn for the better will do nothing for the Financial Sustainability of this Metro. Overtime Page \61-each and every month as from July 2022 till March 2023 overspend. In most instances more than double the amount budgeted of R 7,5 Million per month. Through you, Madam Speaker, Acting Executive Mayor will this ever stop or will overtime keep on being the additional food basket for the ANC card carrying administration, officials and workers.

The DA will propose the following alteration to the recommendations:

- (e) *the Accounting Officer ensures that all the information mentioned on this agenda point in deliberation in Council today be also submitted to the National and the Provincial Treasury, specifically the fact that the report is late.*

Then the DA will vote for the agenda point, otherwise we will have no choice but to vote against the item. Thank you, Madam Speaker.”

Cllr B Vorster raised the following: “Honourable Madam Speaker and all protocols observed. The Freedom Front Plus wants to know the following clarity questions:

A. Why was this report not tabled before council on before the end of April 2023 as stipulated in section. 52 (p) of the Municipal Finance Management Act ?

B. Page 10 & 11 & 12

1. How can it be that we only spent R300 million (29,64%) on our Capital expenditure, where we have to spend R970 million by the end of the 3rd quarter.
2. How can it be that our Grand Performance at the end of the 3rd quarter stands all 30,56%
3. When will this administration realize that if we do not spend our Conditional Grants, National Government will decreased our allocation of Conditional Grants in the next Financial year.
4. Is it not time that Social Services who only spent 10,93% Human Settlements who only spent 23,3%, Economic & Rural Development who only spent 3,28% & Water Services who only spent 33,39% of their Capital Expenditure be investigated to establish the true reasons on the underspending on projects.

C. Page 14,15 & 20

1. it is not clear to the administration that our debt collection are failing, seeing that there is an increase on our outstanding debtors in the 3 months from January 2023 to end of March 2023, printing the outstanding debtors balance to R9,7 Billion.
2. can it then be correct that the Metro has a collection Rate of 72,45%.

9B

3. Should the next report not separate the collection rate of Centlec and the Collection rate of the Municipality, seeing that electricity only amounts to 10,49% at the total outstanding debtors.
4. Is it not clear to the administration that we have a serious problem to collect current and outstanding water debt seeing that the outstanding water debt amounts to over R3,6 Billion , 37,65 of the outstanding
5. Is it not time that this Metro takes drastic steps and install free pre-paid water meters to avoid further debt increase with regards to water \$ separate collect the outstanding

D. Page 6, 60 & 61

1. How can it be allowed that we spent R140 million on overtime, R70,5 million more than we budget for.
2. Why is the administration allowing this unauthorized expenditure.

Lastly Honourable Speaker

1. Does the Acting Executive Mayor's weekend clean-up campaigns contribute to this unauthorized overtime expenditure,
2. Where is our Financial Recovery Plan.

We also noted that the clean-up campaigns are in upcoming contested wards. Are the Acting Executive Acting Executive Mayor using the Metro's staff and funds as part of the ANC election campaigns. "

Cllr SQ Peter made his address as follows: "Thank you, Madam Speaker. We acknowledge the lateness of this report and definitely the Acting Executive Mayor commits to dealing with that issue. We should also indicate that as much this 3rd quarter report is a compliance report, we have noted some grey areas especially when you look at the issue of exorbitant overtime still appears, in some cases there is underspending, the poor collection rate, as well as slow payments. We should indicate that the office of finance as well as NCR are busy improving the system as we have some challenges like the capex project payments, it's not like we haven't paid people, there are some invoices that still need to be verified. Some of the issues the Auditor General indicated were issues of paying people without proper verification, but we also acknowledge that at this quarter, we were supposed to be at 60% at least in terms of expenditure but we cannot do that for the sake of doing that. The other issues is that we spoke about in the section 80 is that we are quite aware that the debtors we have we need to collect especially on the government, business and actual areas, we have agreed that we will be embarking on a project to deal with that to avoid a situation whereby the city depends on grants and doesn't have their own revenue. Thank you, Madam Speaker."

On a point of clarity, Cllr DJ De-Huis asked about the new faces they were seeing in the Council Chamber, Cllr JE Sebolao also requested them to be identified and further stated only honourable members/guests were allowed.

The Speaker then responded by indicating that the guest in the house is part of the NCR team and she will be introduced properly when the NCR presents their report, and the other individual was a journalist from OFM. The lady in question then stood up in the meeting to introduce herself and stated that she was indeed a journalist.

Cllr VE Nikelo requested the Speaker to conclude on the matter, by stating the following options:

- 1. That in the near future, all the media people in this Council must be accredited**
- 2. That the lady present at least some form of a letter of appointment to prove that she is from OFM**

Cllr BJ Viviers however indicated that Council meetings were open to the public therefore he did not understand the commotion.

Cllr D Leech remarked as follows: “First of all Madam Speaker, I support the proposal of Cllrs BJ Viviers, and secondly if there is a spy in the house, it would be important to take note of the following and make notes. The DA would like to highlight the following concerning aspects of this report – The Metro has lost R360 million of the projected income of electricity due to loadshedding, they are selling fewer units to consumers and residents resorting to solar. Yet bulk purchase on electricity results to R88 million more than expected, whilst the adjustment showed a decrease in electricity bulk purchases by R44,76 million. In Afrikaans julle sommetjies praat nie nou met mekaar nie. Sanitation revenue is R25 million less than projected and refuse revenue is 6,1 million less. Property rates and water has increased by R37 million and R31 million respectively. The favourable variants in property rates is due to higher property rates billed and the unfavourable rates is due to fewer property rates filled.

Now I want to remind you that these figures in the adjustment budget were not adjusted. Income through fines is R15 million less than expected due to “ no recorded revenue for fines on law enforcement to date” yet there is a very different picture from what was communicated in the adjustment budget earlier this year where only the income from electricity was amended in terms of the operations budget and a decrease of a R163 million was indicated in terms of the operating income. Our current collection rate according to officials is 78% but it is important to note that this is for the current account, in other words, this is for this month. During last, it was lowest, even 52% in some instances and our totalled outstanding debtors are over R9 billion, interest earned on outstanding debtors is 208 more than expected as a result in an increase in the debtors book and the non-payment of debtors. Tell me how you plan on recovering the interest if you cannot recover the initial debt, I sincerely hope you didn’t do any planning of projects based on this debt.

The metro’s employee related costs are R20 million less than budgeted because you have not managed to fill the position of the City Manager and HODs , in fact you would think that the intervention team and NCR are so comfortable that they have no plan of working themselves up. The term state-capture and I wonder if a term has been made for a situation where a specific faction of a political party has taken over a metro for their own personal gain. To date we still don’t have a new approved recovery plan from the national intervention team and overtime is currently amounting to R140 million rands, this is 70,5% more than initially budgeted. The adjustment indicated a total of a R140 million budgeted for overtime, which document should we thus believe. The NCR confessed during a meeting that they lost the battle against overtime and I quote this “ they indicated that there was no political support and assistance while Mangaung did not have an executive and yet they were appointed to manage the funds and to turn around the current dire situation of the Metro. Isn’t that the whole point of the intervention, to intervene when there is no executive, it is not to play politics during Council meetings.

The NCR indicated that they do not have the delegation to implement and that is the HODs and the GMs that should do so, yet the HODs are part of the national intervention team. Further with regards to the report, it is indicated that interest paid on overdue account is R36 million, contracted services were underspent by R225 million. Perhaps that is why residents have to deliver their own services. The Metro's response is that it is due to containment, this is absurd because the whole point for your existence is to deliver and yet this is where you choose to save this whilst in the adjustment budget, this line item was increased by R61,77 million. The Metro further only managed to spend 29% of its capital resulting in a R111 million loss. With governance and admin at an increase of R24.9 million, community and safety-R109 million, economic and environmental services R151 million less, electricity 9 million less, water R57 million less, water waste management R57 million. The above indicate which line items are important to the ANC and clearly indicate why the metro is in this state. Thank you, Madam Speaker."

The Speaker thereafter read out the recommendations with an amendment prior to Council to proceed with voting.

Recommendation (e): *That the accounting officer ensures that all information mentioned on this agenda in deliberation today be submitted to the national and provincial treasury, specifically the fact that this report is late.*

Councillors voted on the additional recommendation (e) as follows: 31 in favour, 48 against and 0 abstained. Furthermore, the voting results on recommendations as is: 48 in favour, 32 against and 0 abstained.

RESOLVED that, in compliance with Section 52(d) of the MFMA

- (a) the Accounting Officer submits to the Executive Mayor this statement reflecting the implementation of the budget and the financial state of affairs of the Municipality for the quarter ending 31 March 2023 and,
- (b) the Executive Mayor of the municipality must, within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality and,
- (c) in order to comply with Section 71(4) of the MFMA, the Accounting Officer ensure that this statement be submitted to National Treasury and the Provincial Treasury, in both a signed document format and in electronic format,
- (d) that Council takes note that this is preliminary financial information, final Section 52 report will be submitted after finalization of the 2022/2023 Annual Financial Statements.

6.

REPORT ON THE IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY FOR THE QUARTER ENDING MARCH 2023

Cllr MH Supi remarked: "Thanks Speaker, as ANC we noted the report and I would like to make a hint or 2 that we noted the establishment of the vacancy rate in the department and the tenure

part of it just to make emphasis on effective service delivery that we have to take place in this department. As part of CSD, it has been established around 2016 to make public aware to register and we will make an advisory issue that if this particular regulation states that to date there are people who fell out of this database we need an update, with these few words Speaker. Thank you, Madam Speaker.”

Cllr M Thompson stated the following: “Thank you, Madam Speaker, the Supply Chain Management is the downfall of this Municipality, let us acknowledge the importance of having a well-functioning supply chain system in place. As the FFPlus we believe that efficiency and transparency are the cornerstone of good governance, Supply Chain Management plays a vital role in ensuring that the government provides quality services and goods to citizens.

Since this item is only for noting, the FFPlus would like to raise some concerns in this report, on page 3, the internal and external inspection, thickness testing and hydraulic testing of equipment that was done by Hi-tech refrigeration with the total price of R158 000 no other information was given.

On page 7, open order for refuse collection for businesses in Thaba Nchu, for the value of R2,173 million as well as page 8 of refuse collection services in Botshabelo for R2,1 to R5 million and for business in Bloemfontein-R3,913 million. With these large amounts, more info has to be provided. Then we have the catering-500 ml bottled water for R7187, how many bottles were purchased? Then the laptops that councils received, when was this ever in supply chain and when will it ever serve before Council?”

Cllr LW Lekgetho stated the following: “Thank you Madam Speaker, we take note of the report on the implementation of the Supply Chain Management Policy for the quarter ending March 2023. This report highlights the progress made and challenges encountered and key initiatives under this period to enhance our supply chain policies. The Council must play its role of oversight as far as these processes are concerned and make sure that the Municipality executes Supply Chain Management Policy as prescribed by Section 110 of Municipal Finance Management Act.”

Cllr DL Malebo stated the following: “Pele keya kae kapa kae Madam Speaker, allow me to say this once again, Cllr DJ De-Huis stood up and made you aware of members that are not supposed to be part of this house and you made your ruling. That member is not here and re batlisitse and we enquired at OFM and they don’t know that person. I am saying that please ensure that we are safe and not everyone is supposed to be part of this house. If we have guests, you have to make us aware.

On this item, we would like to indicate that the available vacancies be filled as that is important and thus will make the Municipality function properly by having enough employees. We would like the advertising to be transparent and fair.

The Metro needs to redeem itself from the embarrassment of last year of throwing peoples’ CV in the open. The easiest method of recruitment must be used.”

As the report was for noting, Councillors did not vote on this item.

It was thereupon

RESOLVED that Council took note of the Supply Chain Management report for the third quarter ending March 2023.

7.

APPROVAL OF INDIGENT ACCOUNTS FOR INCLUSION IN THE 2023/25 INDIGENT REGISTER

Cllr MH Supi presented the item as follows: “Thank you, Madam Speaker, we have come a long way since democracy, The ANC has made free basic services including water and electricity available to poor households, we still have many challenges. Our local government system is too complex and slow moving in that many households have applied for free services and have not yet received them. We recommend that the backlog that implies to loss of benefits due to non-considerable remedy our corporations is really heartbroken. To say the least that some households have applied in 2019 and haven’t received the benefits. We need a strategic process that is aligned between the municipality and CENTLEC. Madam Speaker we apologise for our people that have been omitted from these processes. We therefore recommend for the approval of indigent register.”

Cllr M Kganakga stated the following: “Good morning Honourable Councillors and honourable Speaker, I feel like this administration and the current ruling part, its venous Acting Executive Mayors. The constant MMC of finance Cllr LM Titi-Odili doesn’t understand the purpose of the indigent register, its purpose is stated in the policy for those that missed it, is to subsidies schemes for the indigent households.

Another fact for all our learners and unlearned colleagues is that indigency and its policies are processes practised world wide to assist communities. Next time you watch a movie listen to terms like indigent and Council homes etc. all the same as what we have here. Section 20 of the policy states that the CFO must report to the City Manager quarterly and or so that this register can serve in front of council quarterly. The reason this is done on a quarterly basis is for transparency and efficiency.

What we know is that a service provider was appointed to assist with the indigency process. The previous Speaker sends an elaborate about a subbase road show that was to take place with 2022 & 2023 and it never did. What we also know is that this service provider was paid, and his very old contract is being re-mewed without the consideration of council. On these document send the spreadsheet has 3 taps, a general sheet with 13713 names or accounts. The total to be written off on that sheet is R243 million

1. On this sheet we have some business;
2. Two accounts over R1,2 million
3. 10 accounts over R500k.

The 2nd sheet are names, surnames and meter numbers that are not allocated to any accounts that also needs to be written off.

10A

On the 3rd sheet 699 accounts with names & ID's also to be will of these 699 accounts 116 of them do not have value, one Account with a value of R1,1 million, another with a value of over R500 billion. In totality these sheet do not represent the policy & its requirement.

- Section 12.5.4 of the policy also requires a prepaid meter to be installed immediately, which won't be the case with these accounts.
- This Council or administration is already been investigated by the Hawks in terms of the various approval and non-approvals of the indigent register

As this item stands my advice is that it gets send back a proper document is prepared with attachments so that council can perform proper oversight. Lastly council and this administration should serve everyone and the fact that none of the DA ward I indigents are approved is really in bad faith. I am wondering if the non-expects the politician wannabe NCR vacuities, these Transnet hostels are not indigent, Business are not indigents. Rich people are not indigents and they are all on that list.

Cllr M Thompson stated the following: "The FFPlus is not against the indigent register as it is needed for the equitable share, but it is of great concern that it was left for more than 10 months. A resolution in this Council was made in August 2022 that this register will serve in Council every three months, how can the Municipality let the poorest of the poor people be put into situations where an outstanding account is over R1.1 million. The cause of this is poor administration under the leadership of the ANC. It is unacceptable as it only shows how the ANC has led down the people of Mangaung once again. If the process takes place for continuously such big amounts will not surface, it is also very important that the correct process is followed to assure that the money is retrievable, this is all part of the ANC's incapable legacy.

We appeal to you to make the process open to all councillors and not only to ward councillors , the current arrangement only allows the DA and the ANC councillors to be assisted. we as councillors are actually left in the dark as to where we should submit our residence applications we also have no idea as to where we can launch our inquiries. The attorneys appointed last year does not answer any of our queries , are they still contracted? I thank you, Madam Speaker."

Cllr JI Mokoena stated the following: "Thank you Honourable Speaker, the African Alliance of Social Democrats aligns itself with the provision of relief to the poor and the indigent in our communities and to that extent we believe that local government as its duties are stipulated in section 152(1): the development objectives of local government, that its objectives is:

- to provide democratic and accountable government
- to ensure provision of services to local communities in a sustainable manner;
- promote social and economic development;
- promote safe and healthy environment;
- encourage involvement of communities in matters of local government and it further goes to Section 153 wherein it indicates the developmental duties of Municipality.

I would also like to say to a friend; a comrade, the City Manager that I know for more than 30 years – I know it is an easy position that you find yourself, it comes with extreme responsibilities.

10B

I also know that you have seen the report that have been tabled as report of Acting Executive Mayor and you own them and our people on Facebook are watching the promises that we are making and we all failed. We have seen the SDBIP, we have seen the Supply Chain Management report and all the other items tabled.

The approval of the indigent policy is about providing a safe and interim safety net while we are striving to restore our people's dignity and we can ensure that by maintaining sustainable economic growth, share prosperity that is inclusive in our community. Our agreement to this proposal is premised on that, however we see that we are going to write off almost R285 million which means it will be taken off our internal revenue. We have had a budget that was premised on collection of that money which we believe we now have to reduce.

So Acting Executive Mayor, through you Madam Speaker, what we need as the Municipality is to take our work seriously to ensure that this Municipality is on a growth path and that investments come and that social cohesion prevails and that our people's dignity is restored. No one wants to be a welfare individual, our people they want to work and we have to create jobs, our people want a safe and we have to provide that. I want to say that as we passed all the other items before this one, we were passing items that are demonstrating our failure to the promises that we made and I not so sure whether all of us appreciate that we want to tell our people on Facebook that we failed and we want to endorse those reports that we have placed here. There is no one who has accepted responsibility for non-performance but the rest have voted as if this is them against us. We all have a responsibility to the poor and it is not about politics but about doing the right thing. When we vote and we say that we want to provide relief to our people, we have got to get together and do the right thing which is ensuring that this municipality is sustainable and ensure that social cohesion exists, ensure that in our diversity we are united an inclusive and prosperous Mangaung, thank you Honourable Speaker."

Cllr DL De-Huis stated the following: "Honourable Speaker, as the Economic Freedom Fighters, we are re-emphasizing what we said on the last year sitting when we debated on this item, believe that this indigent policies needs to be reviewed most of the times and be improved because of the following , We as the EFF we are the organization that is for the poor of the poorer we represent the domestic workers, security guards, the marginalised, the unemployed and mostly those who would naturally fall under the indigent register. This document did not cover residents of other zonal in Mangaung like, Naledi, Soutpan and other sections in Botshabelo and Thaba-Nchu.

Foreign nationals: The policies as long as they don't improve on the issues regarding foreign policy nationals, like Lesotho, Botswana and our neighbouring countries residents who resides in Mangaung, we have had many cases in relation to this, we have found some corpse getting rotten in the different mortuaries. As for other matters relating to basic services is even worse, may the indigents policies focus more on that Speaker. Issues of electricity on indigent communities, there are lots of residences who deserve to get free electricity but do not, so we don't see the municipality prioritising the poor people in the township of Mangaung, because we believe by now all these should have been sorted.

Water issues on indigents: Mangaung communities are still facing battles with water, they are being charged lots of amounts even if they fall under indigent register. We have few examples that witnessed in our communities using prepaid water meter are also getting charged for water which is the most ridiculous thing from the ruling party. Worse we are having unclean water which are hardly drinkable, it shows how ANC is taking our people around the country for granted, therefore more hard work is needed her.

Age: Like we said last debate the age of the qualifiers should be taken very seriously, as they are more defrauders and also some old people are overlooked unnecessarily.

Other matters: The communities are still struggling for example they are not given refuse plastic bags (tsa matlakala). Most of households are not questioned about their standards of leaving the ruling party assumes they are fine as long as they don't come apply. Speaker as EFF we can say a lot about this item, due to the fact that it affects our people and those who are close to home. (we therefore we will support this item as the EFF, given the fact that we need some people to support this item as the EFF, given the fact that we need some people to qualify despite us feeling that it needs a lot of improvements.

Don't have enough evidence indigent register, we need evidence we will support only then. I thank you Madam Speaker."

Cllr LW Lekgetho stated the following: "Thank you Madam Speaker, the people of Mangaung, it is nice to be a member of ANC. We do not represent ordinary people, we represent the whole people of SA, Mangaung included. What we do as an organisation is that we are building a system that will try to elevate this thing of saying we are people of taxi drivers. We are an organisation that represents the whole country and not a small portion.

Item 83.7, the Municipal Council must prioritise the basic needs of community, promote social and economic development of citizens, and ensure that all residents and communities in the municipality have access to at least minimum level of basic services in terms of Section 152(1B) and Section 153(B) of the constitution. The key purpose of the Indigent Policy is to ensure that households with lower income are not denied reasonable services.

The Municipality is the only one, financially burdened with non-payment of services... Basic services are generally regarded to be access to electricity, clean water with reasonable distance of basic sanitation. The customer in order to qualify for indigent needs to fill in the necessary documents as required and agreed to regulate the restriction stipulated by MMM. In support to our objective of this policy, we will ensure that the provision of basic services to the community in a sustainable manner within the financial capability of MMM. We will continue to establish a framework to identify and manage our indigenous households through a social and economic analysis.

The provision of procedures and guidelines for the subsidies of the basic change will be of the free basic electricity to indigent households that enhances the institution and financial capabilities of MMM to implement the 6kl and 50 Kw of electricity every month and that can only be done by the ANC.

As the ANC we support the item as it is because we believe that 410 of applicants who are not getting those free services, they will be happy because if we approve this they will get the services. I thank you Madam Speaker.”

Cllr LE Terblanche addressed the Council as follows: “Thank you Madam Speaker, the DA is not against the approval of the indigents, we just need clarity. Why does it not come to Council quarterly? Why does it take so long ? Why is it only certain people on the list? What about all citizens who applied years and are not on the list? What will happen that are not on the list? When will all the indigent people who applied be on the list?

Now we are coming the sole point which is the water meters, how do you write someone on the indigent but the Municipality is not putting in a prepaid meter? After a year that amount will be written off. If you do the indigent of certain citizens then you must put in a prepaid water meter and what will happen now and when will they repair the prepaid meters. Someone mentioned that some of the meters just bypass if there is a leakage. People phone me and ask us what is happening as there are bypasses. In three months there comes a lot of outstanding balance that they must pay. When will we employ the right people who will do the repairs and when will we put in a new contractor. We know that Mangaung does not have money now our supplier also closed.

Madam Speaker on the Council meeting on the 19th of August 2022, my colleague requested a process to take place on the financial head that will help us do better oversight. The DA requests that the register must be compiled with base. This register is more and more a mix up every day. Madam Speaker we ask that all applications be dealt within 30 days and all the members that have applied be kept up to date. A contractor be appointed last year and the DA requests that a contractor be brought to council. Is there service being done and where is he? How many applications have been received this year and how many of last year have been removed due to getting jobs? The indigent register must be updated and be brought to council every 3 months and not after a year. People are yelling at us as the councillors and they want clarity. Thank you, Madam Speaker.”

Cllr TD Masoeu requested 10 minutes DA caucus before voting, however before it could be granted, Cllr W Pretorius requested clarity as follows: “Madam Speaker last year in August the 28th, there was an email sent out by the 3rd party contractor that was responsible for the indigent register saying that there is going to be a rollout of the process and it was called the Indigent Process Project Plan and the contractor would contract all the Councillors and there would be a program rolling out information on the indigent process.

On the 30th of August, we received an email from an official member of the Metro saying that the final program will be communicated via the office of the MMC of Finance, then it will be communicated to all the Wards. The MMC of Finance will take over the project and all residents will be informed about this process and today on the 2nd of June 2023 we are still waiting to be contacted to roll out this information across our Wards. We have a document with 14 000 names and we have been contacted to inform residents about the process. Can the MMC give us indication on what transpired with this Ward Plan so that we can inform the residents, thank you, Madam Speaker.”

After this, the Speaker granted the caucus and feedback was provided by Cllr M Kganakga as follows: “Thank you, Madam Speaker, we as the DA feel like the documents for the indigent register are fundamentally flawed. There are businesses that are forming part of this register, there are accounts that don’t have value on the register but on the financial system, have amounts. We want to suggest and put a recommendation that the register be brought back within three months and that the team of experts and the NCR note that the Council needs to have this register be part of Council quarterly and not when they feel like it. This will ensure that we will be able to scrutinize and the people who need help will receive. As it stands, this document is illegal and its very flawed, thank you, Madam Speaker.”

Cllr BJ Vivier seconded the proposal made by Cllr M Kganakga

Councillors voted to refer the item back and resubmit in 3 months: 30 in favour, 46 against and 0 abstained.

Cllr VE Nikelo commented as follows: “The recommendation that the register must be submitted in Council every month was already resolved last year and if we include it now we will just be repeating ourselves and I don’t think that is necessary. It’s understandable to rather say that the indigent did not come with the expected standard and that must be resolved but is not necessary to repeat the resolution.”

However Cllr M Kganakga raised the following: “Madam Speaker, clearly someone is missing the resolution because we took a resolution that it must serve on a quarterly and guess what, it did not happen and we waited. Its serving again and we want to emphasise that the policy says it must serve on a quarterly basis and just because they missed it.”

For the inclusion of recommendation (d): 24 in favour, 0 against and 53 abstained. Voting results on the recommendations as is: 47 in favour, 0 against and 30 abstained.

RESOLVED

- (a) That Council approves the 14 410 applications for inclusion in the 2023/2025 indigent register and are provided with 6 kiloliters of water monthly as stipulated in the indigent policy.
- (b) That Council approves the 15 147 applications for inclusion in the 2023/2025 indigent register and are provided with free 50 kWh of electricity monthly.
- (c) That Council write off the R 275 829 087.52 owed by 14 410 indigents.

8.

REQUEST FOR A COUNCIL RESOLUTION TO WRITE OFF PAYMENTS INTO SUSPENSE ACCOUNT AND INACTIVE/CLOSE MUNICIPAL ACCOUNT WITH CREDIT BALANCES OLDER THAN THREE (3) YEARS

Cllr SQ Peter addressed the Council as follows: “Thank you, Madam Speaker, the purpose of this item is to just request a council resolution to write off payments and to suspend accounts and both inactive and closed Municipality with a credit balance of more than three years and in terms of financial regulations of the municipality that is allowed.

We are presenting this item because we received an amount of close to R33 million combined on both suspended account and un-allocated accounts. The reason for this is because who have paid can't be traced over a period of three years and as a results we have that money but we can't use it because we have to wait for that three years for claims to be made.

In this case we need to indicate that once we have received the go ahead from Councillors, the Finance Department will publish on our social media platforms to provide a platform and this will only be for 30 days then that money will belong to the Municipality. We have unclaimed money in the Municipality and we are not implying that we must steal it but it has been there for a while. If the people can't claim that money then the financial regulations allow us. This item is straightforward Madam Speaker.”

Cllr M Kganakga stated the following: “Thank you Madam Speaker, the process that is brought in front of council today is a process so that Mangaung can try and balance their books and they are using the aging where these accounts that are older than three years. The Councillor here was talking about the tracing method and in the documentation you will see that the type of legislation and the document that they used to do something from 1982.

The MMM does not have a policy where they can make this un-allocated payments or accounts that have no movement for a long period. This old document does not even directly speak to the process that we are doing to do. I don't know what the ANC and the ANC government, Acting Executive Mayor, CFOs have been using since 1994 because we are using an old document.

People work hard for their money and the Metro utilises effective methods in terms of informing the community that they might have unclaimed money. R33 million is a lot of money that we are going to make our own and yes it is standard practice but surely there must be evidence of the steps that were taken to try and track these people. The Metro went through a process of changing accounts and some of those payments were swept from one account to the other.

The Finance Department, if you look at some of their references, there are names and surnames. I think that they look at the payment and if it does not match directly what is on the account they put it in a suspend account. If we want to serve the people of Mangaung, we have to work hard, we have to represent them correctly, and we can't just write things off.

Where are these documents? Why don't we have a policy that protects' people's income? These accounts probably belong to people who are married or they changed surnames and we have to track them down and re-imburse them. Writing things off is not fair.

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I am asking that please develop a policy that can be followed by Council and the Financial Department to track these people and allocate these payments. If you work in a financial institution, there are dedicated people that work on suspense accounts and clear them off. Thank you, Madam Speaker.”

Voting results on the recommendations as is: 47 in favour, 0 against and 31 abstained.

RESOLVED

- (a) That Council approves the write-off of both the unallocated/unclaimed into the suspense account and unclaimed inactive/closed municipal account that are older than three years (3 years) this financial year 2022/23 amounting to a total of **R 33 561 955,10** be written off in Annexure “B” and
- (b) That it should be noted by Council that this balance may be lower than the actual write-off that will be processed, depending on customers providing the municipality with proof of payment for allocation or transfer/claims of the credit balances from inactive/closed municipal accounts, after the 30 days public notice to be issued after soliciting Council approval.

9.

REQUEST FOR APPROVAL FOR WATER DEBT WRITE OFF

Cllr MH Supi presented the item as follows: “Thank you, Madam Speaker, the item we have at our disposal is item 83.9 which talks about the irrecoverable debts to be written off for water consumption under account number – 1002707384 (Tenant Acc nr.) With reference to this matter Madam Speaker, can I refer to judgement which was passed by the high court on the 29th of August 2017 between Jordaan vs City of Tshwane, the matter was in relation to the liability of outstanding debt that survived the transfer of ownership. In this regard, we discussed this matter as Section 80 of the Finance with regard to this particular transfer. The judgement in this case will reflect that we recommend the debt be transferred to the ownership and judgement declared that upon transfer of property, the new owner is not liable for the debt arising before the transfer under section 118 of the local government systems act. It is therefore upon this reason we recommend the approval of the debt. Thank you, Madam Speaker.”

Cllr D Leech stated the following: “We do not have a problem as the item as it is but we would just like to add a recommendation. My fellow committee members will remember that we discussed to indicate that an investigation be launched of individuals and then counter measures be put in place to avoid a similar situation in the future. Basically it is just to do an investigation as to how this situation transpired wherein individuals had usage of the owners’ water and that owner was at point now liable for it. Fortunately it could be measured and she will not be liable for the total amount but I do think that it is not fair for the municipality that we will be losing that additional money that could have been used as revenue, I thank you, Madam Speaker.”

Cllr PM Mohibidu stated the following: “Thank you, Madam Speaker, before I can give my input in the item, I would firstly like to support/second the recommendation for the investigation or measures that the Municipality must take in regards of the water that was utilised by the community. Credit Control and Debt Collection Policy stipulates before any debt is written off it must be proved that it has become irrecoverable and ensure that the recommendations for write off are consistent and cruel.

Madam Speaker I will like to emphasise on the Municipal Systems Act 32 of 2000 Section 118(3) which indicates that all the debts owed upon transfer of property need to be paid in full before transfer was made. Since the water debt is due to consumption by informal settlement, the owner is not liable for that particular debt of 1,92 kl which amount to R103 647 for the household usage. As ANC we are a caring organisation and we therefore support the item and the recommendation amended by the previous speaker, I thank you, Madam Speaker.”

Cllr BJ Viviers stated that he seconds the proposal of the investigation and the counter-measures to avoid such situations in the future.

Cllr MW Mongale stated the following: “Madam Speaker I am raising a question that we are being ambushed, there are 2 recommendations that were made and the committee was aware that there was another one left off. Under normal circumstances, once there is a discrepancy that item should be referred back. Maybe this is for the last time that documents come here without the relevant committee dealing with them thoroughly.

The recommendation that they agree on was lost somewhere and we don't know who lost it because if they are agreeing it means that it is indeed like that. I am raising this to say that this should not happen again because we will be embarrassed for seconding something that we do not understand because even the community is not aware because it must come here when the community have thoroughly dealt with the matter. The issue I am raising matter is based on principles because we can't correct it here and it must be dealt with by the committee or else there will be a dilemma in the next meeting."

Cllr D Leech raised a point of clarity as follows: "This item did serve before the committee, we agreed on the recommendations, and that there must be counter-measures put in place to prevent it in future. We agreed upon that just in terms of what is written in the recommendations, that part was left out and we ask for it to be added, thank you, Madam Speaker."

Cllr BL Mathae was also in agreement with the proposal made. Councillors voted unanimously on the additional recommendation (c).

It was thereupon: unanimously.

RESOLVED that

- (a) Council approve the write off **R470 871,41**.
It should be noted that recommended write off amount is subject to change due to the monthly interest charged due to the debt on the account.
- (b) That a full investigation be conducted on the events that led to water consumption by the informal settlement dwellers which resulted to debt incurred and to be written off.
- (c) ***That counter measures be put in place to avoid reoccurrence of such a situation as outlined in the report.***

10.

APPOINTMENT OF SELECTION PANELS FOR RECRUITMENT, SELECTION AND APPOINTMENT OF HEADS OF DEPARTMENTS AT MANGAUNG METROPOLITAN MUNICIPALITY IN ACCORDANCE WITH THE LOCAL GOVERNMENT REGULATIONS for the CONDITION AND APPOINTMENT OF SENIOR MANAGERS

Cllr VE Nikelo addressed the Council as follows: "Thank you, Madam Speaker, how I wish that sometimes can be as much as they are open on Facebook, I wish they can be held in the location where our people can have access and they will see who has their best interests at heart between ourselves and other political parties. I am saying this Speaker because when our people are accessing this thing and the poor can't even have data to stream. It becomes too difficult for them to get the sense of what is done and they will quickly be misled.

However, Madam Speaker, on the 17th of August 2022, the president of South Africa panned down the approval of the municipal systems amendment act to give effect to section 56 which allows that this positions are countable for the Municipal Manager to be full time.

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This gives us solace that institutional memory can't be eroded which contracts of the HOD being terminated when they are coming to an end and this provides for a more clarity way of ensuring that stability happens in the Metro. We really need to applaud the ANC-led council in bringing this matter for us to start stabilising our administration. This Madam Speaker, will assist us to deal with concerns that were raised by national treasury and CoGTA which also contribute to us regressing from initial audit opinion where over the years we have been un-qualified but now we are qualified with matters of emphasis.

The filling of the posts and appointment of the panel to preside over the appointment of the HODs will not harm this institution as this will ensure that we are not racing against time in concluding the appointments. The community of Mangaung deserves a stable Municipality and un-interrupted service delivery and the AG have highlighted the challenges we have of filling these senior managements as the main contributor to our never-ending woes. We and our partners cannot wait for a moment where everyone will speak about Mangaung in a positive way and not always refer to us as a resemblance of a failed state under the leadership of the ANC. Opposition parties will always try to derail us and paint us in the face of the community that we are failing our mandate. Therefore we support this item and furthermore we propose to this Council that the following specialists be added in all the HOD positions.

We propose that:

- on Corporate Services, Miss Kgantshe Sefo be appointed as part of the specialist and expert in Local Government and Human Resources.
- Me Masechaba Seseng on the position of the Chief financial officer.
- Mr Peter Fredericks on the Engineering Services.
- Miss Thabisa Phoswa on the position of HOD planning.
- Community Safety we request Advocate TJ Phahlo and
- Quality Assurance and Knowledge Management, M Nokrwequ.
- Public Safety and Security – Retired General MM Moadira.

I reiterate that our position and commitment to ensure that we stabilise the institution the appointment of these position. Thank you, Madam Speaker.”

Cllr PA Lotriet stated the following: “Thank you, Madam Speaker, this is the report of the Acting Executive Mayor, I address him through you. As much as you want to see the backside of the acting HODs we can employ our own people and move on. We want to say to the intervention team that you put us through a hell of a hard time since you were here and you caused Ward Councillors a lot of harm. We will always remember that, the rest of it, we hope to forget soon. We will withdraw your passport and block you at the far river.

The approved structure makes provision for six directorates. This proposal makes provision for seven HOD`s Community Services and Public Safety is now split into two departments. Where is the approval of the Minister of GOGTA and the Minister of Finance for this extra directorate. We are not so much in principle against the seven proposed departments, but we will not be able to support any unauthorised action. We can support this provided that clarity is provided here in council to our satisfaction. It is important that our objective is noted.

We as the DA have our reservation about the recruitment process and the way it's been handled up to now. We are currently investigating serious allegation. If the pre-selection was not done above board, this whole process might be deemed null and void. We don't want that-it will be a sad day. Those allegedly responsible will have account. How do we ensure that acting HOD's who are applying for these jobs are not advanced by the selection panel? Acting HOD's must withdraw fully in facilitating the recruitment, selection and evaluation roses. Please! We need to professionalise the Metro. We need for example professional qualified HR people to head up the HR department. Some of these acting HOD's has really proofed themselves to be cowboy. The arrogance you have displayed towards councillors and the public already disqualify you. Please don't even think you can apply for the job. We have built a body of evidence against you that will embarrass not only you, but everyone else. Thank you, Madam Speaker."

Cllr DL Malebo addressed the Council as follows: "Thank you, Madam Speaker, let me remind Councillors here that last year on the 9th of March, we debated on this and we were clear as the EFF that we will never support and non-equal representation of selection of members. As much as this process is important. There were many litigations when we debated on this issues and till now, we still have a lot of litigations from the same organisation which is ANC and that is lead to non-service delivery. It will be challenged and thus leading to lack of service delivery.

Municipal Systems Act, Section 55 gives directions regarding these elections and we don't know why this Municipality struggles to follow this process. The Municipal Manager is responsible for the management of the administration according to the Municipal Systems Act and other legible legislation and also tasked with the implementation of the IDP and the monitoring of this progress.

As much as we support the appointment of the HODs and officials, it should be done in a transparent manner to achieve the necessary objectives. Section 12 of Local Government: Municipal Systems Act 32 of 2000 guides us with selection panel. As the EFF we recommend that the panel be constituted of multi-party members within the Council, and we guard and we will always be against corruption. We realised that the appointed members are all from the same party and as the EFF we reject that, thank you, Madam Speaker."

Cllr MW Mongale indicated the following: "I will not sound like a scratched CD this time but I humbly plead with you to consider what I am raising. On the 6th of March this Council took a resolution to advertise the positions of HODs, and the 22nd of May they were advertised. According to the government gazette on appointments of senior managers in local government, it says that the municipal manager must be within 14 days of receipts of approval which is Council resolutions ensure that the post is advertised. After the Council Resolution of the 6th of March, there was supposed to be an advert for all those positions approved by Council but it did not happen and I am disappointed that even the experts did not pick it up because these are the things that they are supposed to monitor.

We have National Cabinet Representatives present but we are still struggling just to understand that within 14 days of resolutions, the position must be advertised. It is my submission that we love the citizens and we want them to have HODs and city managers but we can't push for a flawed process in terms of achieving that. In this case, we say the regulations were not followed to the latter and we suggest that this item must be withdrawn.

Madam Speaker you can't even subject this item to voting and you can subject it to a legal opinion and we can't be non-compliant. Anyone challenging it is challenging the law. You cannot push us to a vote but you can rather rely on a legal opinion, I thank you, Madam."

Cllr E Snyman-Van Deventer mentioned the following: "Through you, Madam Speaker, Cllr VE Nikelo said that the ANC should be applauded for bringing this council. I will applaud them for bringing over a year. I also agree with Cllr MW Mongale that the regulations were not followed and that there is a problem with the process, I know it will be approved by the majority and therefore the FFPlus requests that this panel to please appoint HODs who are skilled and qualified, appoint them on their real CVs and not their ANC CVs. Appoint people who can do their job and not friends.

If we look at the recommendations, the list, it says that the MMC responsible for the portfolio. Somewhere hidden in the report it says preferably a MAYCO member and that would be quite a change from an ANC panel to a more representative member of opposition. As I alluded earlier, the problem with the agenda, after item 11, there follows some annexures; A-acting positions, B-letter of Acting Executive Mayor and report of Minister, C-regulations. When I look at that, the letter of Acting Executive Mayor and annexure B, through you Madam Speaker to the Acting Executive Mayor, it says, currently the MM Council has been under administration in terms of Section 139(7) which entails the intervention and not administration. It is clear that you lack understanding, please get better advice or just read the Constitution, thank you Madam Speaker."

Cllr CL Kruger addressed the Council as follows: "Thank you Speaker, on the item, it is clear that we need stability and we need to move. We were once called city on the move and I think we must move towards that slogan. Let me clarify what Cllr Mongale stated regarding the fact that we are not procedural correct in terms of the panel but let me take you back to the 3rd wherein we took a resolution which reads as follows: *approve that all vacant of senior be filled but the approval of the selection panel to recruit must be deferred to Council.* This is the first time we bring it back and I hope that it is clear to you.

I also want to clarify my other Councillors from the EFF, in terms of the selection is not a prerogative of the executive or by the ANC-led government, it is regulated and it states here on Regulation 12 of selection panel, the selection panel for the appointment of a manager directly accountable to a municipal manager must consist of at least three or not more than five, the municipal manager is the chairperson automatically, member of the Mayoral Committee or Councillor who is the portfolio head of the relevant portfolio. At least a person who was not a staff member or of Municipality but an expert in the area of the advertised field. Which means this is unfortunately we do not want a multi-party representation but I am it is regulated so therefore we stick to this. We don't have time for litigation.

I want to remind Council that if we fail to appoint the CFO before the 1st of July, the financial consequences will be dire. It is easy to say we love the community of Mangaung but the things we want to pass in Council is contrary to what you say. As the ANC we want this to pass today so that we can appoint our HODs so that we can move. We are sick and tired of inconsistency, instability and it provides a conducive environment for things to go wrong because we lack of visionary leadership, thank you Madam Speaker."

Cllr MW Mongale commented as follows: “Madam Speaker, I think you are in a hurry to go the issue of nominations and I have not been answered on the issue of regulations regarding the appointment of senior manager, which states that after Council approved, the municipal manager must advertise the positions within 14 days and that did not happen. Whatever that is being said here is an emotional statement, but it does not carry facts which is that it should have been advertised within 14 days and Madam Speaker, I can refer you to the regulations and I am not trying to mislead the Council. Check the regulation on the appointment of senior officials. Section 10 is very clear and we can’t change it by vote. We should follow the correct procedures then we can talk about the nominations. I am raising this with all humility and I am warning because if you do not follow procedure, you will be accountable for this mess. Now get a legal opinion, and if I am wrong, the nominations can continue. I am disappointed that National Intervention Team did not advise you. I nearly seconded Cllr MA Morake when he suggested that they must leave and I believe that.”

Cllr JC Pretorius requested clarity on the following: “I just want to follow up with what my colleague Cllr PA Lotriet just said and perhaps the MMC of Corporate Services can come in. Here, it has been recommended seven portfolios and seven HODs but in terms of the proposed macro-structure, just asked what transpired as there was six portfolio and now they are seven. How did that happen?”

Cllr BL Mathae commented as follows: “Thank you Madam Speaker, with due respect I think Cllr MW Mongale is grandstanding. The application of the Act does not take away the powers of the Council and we reserve the right to vote. It is not as if we are operating under normal circumstances, we are currently under national intervention. Many things transpired due to that intervention. This Council has continuously asked for condonation in the event that we are not able to satisfy some of the provisions. Over a period of a month, we did not have a Speaker, over a period of two months; we did not have the Acting Executive Mayor.

I am saying we are not operating on a normal course of events because we are under national intervention. Nevertheless, over and above, many things that occurred, we have always sought to obtain a condonation from both National Treasury as well as CoGTA. Its neither here nor there, the fact that Council can’t vote. I think you can’t threaten us, we deserve a right to vote and we have operated under these conditions because these are the conditions we find ourselves in. So, I want to insist on the proposal which was made that we should continue to vote and there is a proposition which was tabled before Council if there is a different view from our members of this house, it can be subjected to a vote but we have a right and powers as a council, irrespective of national intervention. Thank you, Madam Speaker.”

Cllr LC Kruger responded by stating the following: “Thank you, Madam Speaker, in terms of the six HODs vs the seven, this Council adopted a macro structure that consisted of seven HODs, that’s why it is seven as supposed to six. The last question that Cllr MW Mongale raised, in terms of the selections, the issue he is raising has no bearing on the selection.

His issue is separate from the selection panel. We are addressing the selection panel and not us asking permission to advertise, I am just giving clarity. Hence, I proposed that we must not entertain that because it does not have any bearing on the fact that we are dealing with currently.

Regarding on the 6th of March, the resolution that Council took stated that to approve for the vacant positions of HODs but it was also said that this Council, that the appointment of the selection panel to recruit be deferred to the next Council. Therefore, I am saying we deferred it then this is the next Council after the deferral. Thank you, Madam Speaker.”

Cllr MW Mongale made follow-up remarks: “Madam Speaker, I heard the Acting MMC for Corporate Services and all I am saying that she correctly quoted the resolution of the 6th of March but I am saying that even if it was deferred, that process has been overtaken by events. I am trying to justify my case by saying the advertisement and the appointment of selection panel are intertwined. You cannot have a panel if there are no advertisement. In this case, I am saying, if we appoint a panel now, it is already wrong because the regulations say it must be done within 14 days and I am standing by Section 10 of it. Now we are compromising the entire panel. We can't subject this to a vote, it is a legal matter.”

Cllr JI Mokoena commented as follows: “Thank you, Madam Speaker, I think Cllr E Snyman-Van Deventer raised the issue of the annexures that are referred to in terms of the item before us, I also do not have them. One of them says its annexure A which is a Council Resolution and the other is a letter by Acting Executive Mayor to Minister of CoGTA and response of the Minister. The other annexure is the regulations, so I am not sure whether the letter addressed by the Acting Executive Mayor might have been trying to resolve what Cllr MW Mongale is trying to raise or it might have been something else.

If I may try to reconcile what I hear, Cllr MW Mongale is insistent that regulations have stipulated a particular process to be followed but at the same time we find ourselves in a situation we only advertised the positions on the 22nd of May and we after appointing the selection panel. Because of that anomaly that might find us being in problems regarding sticking to rules and regulations. Without using the same words used by Cllr BL Mathae, Cllr MW Mongale is grandstanding, he tried to reconcile by saying that we might rather make an additional recommendation that due to the circumstances we find ourselves and the importance of filling the positions, can we accept this process and recommendation and ask for condonation and deviation so that in a way, we have covered ourselves from non-compliance and we had reason for that. I am assuming Cllr BL Mathae is trying to motivate why we should be going with this process and those two positions can be reconciled that way if it is workable.”

The Acting Council Whip stated the following: “Madam Speaker, sometimes ndino cinga dinga thetha nge isiXhosa or Sesotho, but it is unfortunate that there are no devices. I want to say the reason why we find ourselves in an intervention is also because of the issue of the financial challenges that we are experiencing as the Municipality. We are also sitting here in a way discussing another fruitless and wasteful expenditure and disguising ourselves under the pretext of the law which is correctly quoted. At the same time I am saying what we need to ensure is what Cllr MW Mongale is indicating on the issue of the appointment of the panel is precisely on another issue in terms of the advertisement of the post which is indicated on the Regulation 10 and what Cllr JI Mokoena also indicated.

I am sitting here with the response from the Minister of Corporate Governance and Traditional Affairs, with a letter requesting a waiver for the filling senior management posts, which indicated

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a letter indicating the 4th of May 2023. I have received your letter regarding the extension, given the events that have occurred at Mangaung regarding the instability I hereby grant approval for the extension. The approval is on condition that you submit a revised timetable on filling of the posts within seven days, this is one of the key deliverables from Section 139(7).

The Mangaung Council through your office should submit regular updates on the filling of the posts to my office. As a result of that Madam Speaker, I want to put to this house that indeed as Cllr BL Mathae indicated, we heard what the Councillors are raising and we noted all their points, and also it is our concern as this Council that we need to stabilise issues and by refusing to continue this and disguising under the pretext of the law. In my own view, the law cannot be rigid in terms of addressing in terms of certain issues, without repeating things, I think in a nutshell, we are in agreement with in terms of dealing with these issues and Cllr MW Mongale just wants to be sophisticated and prove to Council that he at least spoke. I would request that we close this matter and based on the names that have been proposed, then we can put this matter to rest and move to the next item, thank you, Madam Speaker.”

A proposal was made to refer to the Council Resolutions of the 7th of November 2022 regarding the macro structure which stated that:

RESOLVED that Council

- (a) *Note cost savings associated with the reviewed macro-organisational structure in accordance with the Municipal Staff Regulations (MSR).*
- (b) *Endorse reconfiguration and redesign of the macro-organisational structure for Mangaung Metropolitan Municipality.*
- (c) *Approve reviewed macro-organisational structure with reduction of Heads of Department from nine (09) into seven (07) aligned to the Municipal Staff Regulations (MSR) come into effect 01 July 2022.*

Cllr JI Mokoena commented as follows: “Madam Speaker as a Councillor who has a duty to make, regarding these members that have been appointed whom we don’t know and cant attest to their service, can I just request that we receive a copy of their CV just to see if they are competent and capable of doing the job.”

The Acting Council Whip stated that the ANC vouches for the appointed members and will furthermore submit all the required documents for the sake of transparency.

The EFF caucus left the meeting at 18h10.

It was thereupon with 46 in favour, 4 against and 26 abstained

RESOLVED

Establish and appoint selection panels members in furtherance of Council executive obligations to recruitment, selection and appoint Heads of Departments (HOD) in accordance with the Regulations and Council approved Macro Organisational Structure.

- a. **HOD: Corporate Services**
 - i. **Chairperson** – City Manager.
 - ii. **Panel Member** – MMC responsible for the portfolio.
 - iii. **Panel Member** – Expert in LG human resource and systems / legal governance and ICT: **(Ms Kgantse Sefo)**
 - iv. **Observer** – NCR Governance Expert.

- b. **Chief Finance Officer**
 - i. **Chairperson** – City Manager.
 - ii. **Panel Member** – MMC responsible for the portfolio.
 - iii. **Panel Member** – Expert in municipal fiscal management, budgeting, and revenue enhancement: **(Ms Masechaba Sesing)**
 - iv. **Observer** – NCR Finance Expert.

- c. **HOD Engineering Services**
 - i. **Chairperson** – City Manager.
 - ii. **Panel Member** – MMC responsible for the portfolio.
 - iii. **Panel Member** – Expert in LG Built environment and engineering with experience in MEGA planning and budgeting: **(Mr Peter Rossouw Fredericks)**
 - iv. **Observer** – NCR Service Delivery.

- d. **HOD Planning, Economic and Rural Development and Human Settlements**
 - i. **Chairperson** – City Manager.
 - ii. **Panel Member** – MMC responsible for the portfolio.
 - iii. **Panel Member** – Expert in urban, regional planning and human settlements: **(Ms Thabisa Phoswa)**
 - iv. **Observer** – NCR Service Delivery.

- e. **HOD Community Safety and Waste Management**
 - i. **Chairperson** – City Manager.
 - ii. **Panel Member** – MMC responsible for the portfolio.
 - iii. **Panel Member** –Expert in waste management and municipal services: **(Adv. TJ Phahlo)**
 - iv. **Observer** – NCR Service Delivery.

- f. **HOD Corporate Planning, Quality Assurance, Knowledge Management.**
 - i. **Chairperson** – City Manager.
 - ii. **Panel Member** – MMC responsible for the portfolio.
 - iii. **Panel Member** – Expert in municipal strategy development and quality assurance (audit, risk and fraud management): **(Dr. M Nokrwequ)**
 - iv. **Observer** – NCR Service Delivery.

g. HOD Public Safety and Security

- i. **Chairperson** – City Manager
- ii. **Panel Member** – MMC responsible for the portfolio.
- iii. **Panel Member** – Expert in road traffic management, public safety and policing and law enforcement: **(General MM Moadira)**
- iv. **Observer** – NCR Service Delivery.

11.

STAFF ESTABLISHMENT/ORGANISATIONAL STRUCTURE FOR PUBLIC OFFICE BEARERS' (POB) FOR MANGAUNG METROPOLITAN MUNICIPALITY (MMM)

Cllr CL Kruger presented the item as follows: “Thank you, Madam Speaker, it is not easy to present in the graveyard shift and I hope people are still listening. As for the Municipal Staff Regulations which came to effect on the 1st of July, it is important for us as the governing party to propose that we align ourselves with these regulations. You would remember, we come from a history wherein we had a political office of 203 employees. As for the prototype by National CoGTA we had to reduce to 70. When 200 people were employed, it costed the Municipality R143 495 928, now we must reduce to R50 254 096 and we saved ±R93 million. It is important for us to realise that the days of disappointing people are gone and we must be subjected to interviews and advertisement. You must not be shocked when the advert is run. What we have seen is that when we as the ruling party speak about renewal, it is imperative that it is not a replacement, it's a renewal in thinking and implementation and it is imperative for us to lead in example. Hence we are saying we are moving to 70 and I support this.”

Cllr PA Lotriet stated the following: “It is generally accepted that the POB structure has cost taxpayers millions of Rands in the past. This bloated structure was, amongst others, used to run the ANC election-fetch dry cleaning, clean golf clubs, fetch kids from school, buy groceries, etc We can't afford this luxury. The state hasn't got money. We are already out of money.

I refer you to Annexure 3, page 4, point 7. We would like to propose the following amendment to:

- We can support the additional 24 posts (30%), but do not apply to the MEC unless the Metro is working on a monthly surplus. We as the DA would have done exactly that.
- Amend that Political Parties and Office bearers have the prerogative to short list their staff/candidates of choice which the City Manager endorses.

Do parties with one or two representatives in Council need a dedicated PA? I thank you, Madam Speaker.”

Cllr E Snyman-Van Deventer remarked as follows: “Thank you Speaker, Cllr DMC McKay gave me the word outrageous. Let me start with a question, is there anyone here, who earns less a million rands? A senior admin officer- more than a million Rand, head of office - R1,6 million, office manager - R1,37 million. Just to put that in perspective, a member of parliament only gets R1,137. So officials in Mangaung receive more than members of parliament, so maybe we should be in administration.

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To you Cllr PA Lotriet, the FFPlus said, no thank you for the PA, we don't have one. Also just for Cllr CL Kruger, through you Madam Speaker, first of all, I just want to say: *'leë blik maak die meeste geraas'*. You said only 70 political appointments, where does this one fit in on the proposed organogram, where does the deviation fit in? I refer you to annexure D which has reference to political party support, non-executive support of officers, line secretaries and then researchers. I am not sure how that works. Is this within the 70 appointments? I must say this whole documents is deurmekaar. This type of report is really not acceptable.

Furthermore through you, Madam Speaker, there is gossip that the Acting Executive Mayor has started making appointments, I also saw the Chief Whip sitting there. So I am just asking, if he has been appointed somewhere? To the Acting Executive Mayor, I see that there is reference to a special advisor at the salary of R650 000, I will do it for free sir. Two of the most important offices are understaffed, its unacceptable that MPAC cannot do its work and that the IDP office is understaffed. Thank you, Madam Speaker.”

Cllr MW Mongale made the following comments: “Madam Speaker, the problem with this submission is only the costs, the other problem is the number of deviations. I think it should have been taken to committee for discussion so that we can understand why there was a need for deviation from the staff regulations. I thought we all understood what was raised because all people who were not happy about what was raised they challenged us on that day. Most of the people who were in that meeting raised issues until the submission. Hence I say if we are in a deviation while we are under Mandatory Financial Recovery Plan, what has been the submission of the National Intervention Team to that effect, what was the advice of the NCR? In this particular, if there was no advice, it means there is a catastrophe here. If there was positive advice, that would mean NCR is not here to help save the Municipality but here on a holiday.

Be it as it may, such matters happened under their watch but they were in a hurry to make an opinion in a political matter but they are unable to make an opinion on a financial matter, which is why they are here. They should have picked many things that are not in order here like a researcher earning R1 million, a manager is also earning R1 million. There is a confusion here and it means there was no work study or evaluation conducted on these positions. It was just cut and paste from other Municipality. I am scared because I don't see any improvement on the finances of Mangaung, and it is a danger to this Municipality, workers will end up not getting salaries and communities will end up not getting services.

If we love our community, I plead with whoever submitted this item to withdraw it so that we can bring it carrying the fleck of cost containment, because it is extravagant and this is not where we should be at. Councillors, we should take this matter seriously because most of you are living in your Wards and you are struggling with many issues like sewerages and you seem not be getting assistance, these people won't help you. All I am asking is that we should bring an additional item that will deal with ward-based issues, that is my humble plea. Councillors remember that we might also not get our salaries.”

Cllr MS Mohatle stated the following: “Thank you, Madam Speaker, the Acting Executive Mayor, the Council Whip and all Councillors. I’ve been listening to people who are saying they’re not grandstanding or they love our communities and it’s so convenient in this month of June why in 1976 we stood up to fight for this democracy that people are enjoying, while everyone is in love with every member of the community regardless of their colour, 2000 scholars went to the streets to fight for this and 500 of them were killed by the apartheid police. Now yes, if you are not sure go and research, this time the descendants of apartheid, of the colonialists who captured our country in 1656 have the right and the audacity to tell us about the community when we are supposed to be voting for budget every time, everything we vote, they don’t agree. It’s not surprising because that is why they are here, they are the opposition, they must listen because we make the decision. We sat in committees discussing this document with people who are now saying we are going to waste money by employing 30% more and our communities that they are not theirs then, now belong to us and we have this love for everyone and we even know how they feel about the services that are supposed to be provided, we have adopted the black child that we never liked or even recognized.”

The Speaker called Cllr MS Mohatle to order and referred to the Standing Rules and Orders regarding relevance to the item dealt with.

Cllr CL Kruger raised the following: “Thank you, Madam Speaker, it is imperative for you as the chair of this house to be consistent regardless, you boldly made a statement that there should be no points of orders and then when your fellow colleague stands up without being recognized, then you listen and even follow his advice, against your own advice.”

Cllr MS Mohatle continued and concluded by making a statement that ANC was in Government and if they take any decision, it stands as such.

It was thereupon with 45 votes in favour, 23 against and 2 abstained

RESOLVED that Council:

- (a) Approve reviewed staff establishment of Public Office Bearers aligned to the Municipal Staff Regulations (MSR) came into effect from 01 July 2022 and employee related costs savings in respect of employees due to the alignment with the Municipal Staff Regulations.
- (b) Approve the additional **24** posts (30%) and that deviation be sought from in line with the Municipal Staff Regulations.
- (c) Approve that the acting City Manager immediately facilitate the filling of the positions with support from response handling company to compile a long list, conduct reference, qualifications, and personal credentials of applicants to reduce turnaround time of filling these positions.

12.

FILLING OF CRITICAL FUNDED VACANCIES FOR STAFF BELOW MANAGEMENT

Cllr CL Kruger presented the item as follows: “Madam Speaker, this report was ended here was indeed presented in Section 80 and Mayco, so those compliance issues were dealt with. We are talking about the filling of critically funded vacancies, currently in Mangaung there's an up rise with regards to the amount we spend on acting and the amount we spend on overtime, but if you look at the amount of vacancies we have those remarks must be mentioned in context, because if you are understaffed it simply means you will be forced also now to over rely on overtime and so forth, because you will find departments one person doing three to four people jobs and so it must just be contextualized before. There are many things in Council we must not use for political gain, there is certain things we can politicize but there must be a balance in itself. Say there is a precursor Madam Speaker, there is 8109 posts of which 3132 are full and the vacant ones are 4977. I'm not suggesting that we fill the 4977 as you can read on the title of this document we say only the filling of the critically funded vacancies, now if we don't fill them it has an effect on service delivery, so it is imperative for us as council to ensure today that we pass this so that we can appoint because currently Mangaung is limping because we are understaffed.

You will see on page 7 of the document, it gives an idea of when we referring to the critically positions that gives you an idea of which areas we are focusing on in terms of where those positions would be and then also Madam Speaker, this council took a resolution on the 19th of December 2022 and it stated that the moratorium that we are referring, in terms of the recommendation - in taking note of the report of the high vacancy rate in the Municipality and since its decision the Council Resolution of the 19th of December 2022 by then we said no vacancies being advertised until the organogram has been finalized for the approval by the City Manager.

Madam Speaker, technically that was an overreach of Council. By law we could not have taken such a resolution technically that's why the document reads to rescind meaning to rectify the resolution technically we took on the 19th of December 2022. Now, it is clear to say the Municipal Manager has far worse assigned to him or her in the Municipal Systems Act and the MSF legislation regarding the filling of vacancies for staff establishment below management, so by saying that Madam Speaker, fully support this report and I trust that my friends from the opposition benches will equally support as it is a matter of must if you want the Municipality to function optimally indeed we must give them the required staff that the Municipality requires, I thank you, Madam Speaker.”

Cllr PA Lotriet stated the following: “Staff are earning exuberant remuneration packages and although we agree that you have to pay market related salaries, a secretary earning R850 000 cost to company comes in at the top 10% of salaries employees in South Africa. Councillor support officers earning as much as R1.8 million per year! This can't be!! I plead for this feeding frenzy to stop! Let us be responsible. The microstructure was the root cause of all-evil. We as the Council must be in a position where we do regular oversight and have in-depth knowledge on what is happening in that structure. If we do not, do that costs will again run away and production will decrease. We cannot allow even one unauthorised appointment!

The Corporate Affairs Department cannot tell Council not to interfere with the day-to-day running of the affairs of that department. What we know as the Metro is that hundreds of thousands of Rands are spend on court cases relating to unfair labour practices. Prepare yourself for a full investigation in this regard. I thank you, Madam Speaker.”

Cllr E Snyman-Van Deventer stated the following: “Thank you, Madam Speaker, regarding the issue of being understaffed, who is governing this Municipality since 1966, if you want to blame somebody for being understaffed, blame the ANC. On the previous item, it was arrogantly stated that the ANC takes the decisions, and that’s why we are in this position.

Page 4 refers to the vacancies in waste and fleet management – 498, tactical services – 1242. I can guarantee you now we can replace them all and it won’t make a difference in service delivery because the necessary equipment to do the work. How do you fix a pothole without tar, how do you fix waste management if you don’t have vehicles then on page 5, there is a column on the bottom that refers to overtime which is our major problem, appointing more and more, will result in us paying people just to sit around due to lack of equipment.

Also referring to overtime, through you Madam Speaker, is the Acting Executive Mayor using this overtime on Saturdays by campaigning in his so called cleanup campaign. Every Councillor should really take offence on page 6, point 36, I really do not like the wording and tone of this, it says: Council in his own wisdom, I find that sarcastic and disrespectful, I really don’t think any HOD, whether you are acting can put something like that in a report, its unacceptable. Linked to that, Council in his own wisdom referring to the organogram which we still need, how can we still use a micro organisational from 2014, it doesn’t make sense and then I want to go to the recommendations, recommendation (a) should stop at “finalised for approval by the City Manager”. The rest of that recommendation is totally unnecessary and disrespectful to Council. You don’t need to include that in a recommendation where we want to move to an appointment of more people. Also recommendation (b) should start with “approve that” but as it stands there, it is really unacceptable. I think all Councillors should take note of this type of reference to our decision-making and what we did. Just to remind the ANC, as you said you take the decisions, the HODs are actually criticizing your decisions.”

Cllr MW Mongale stated the following: “Thank you, Madam Speaker, I am going to touch a subject of my history. We are talking about Municipal workers and I was once a Municipal worker here. But there is a challenge in this Municipality and the elephant in the room is how we appoint the Municipal workers. The criteria that is used for the recruitment because you will find in some departments, the workers are more powerful than the managers because they come from the branches of the ANC and managers are afraid of them. When they are meetings with the ANC, they leave work and attend those meetings and such matters are challenges of the Acting Executive Mayor on how to force them to come to work.

We also have committed Municipal workers who work hard and lose out on opportunities of promotion because they are reserved for certain functions and they can’t be promoted because no one will be able to perform that particular function and they are being abused. I thought when these positions are being brought forward, there will be an HR assessment of HR analysis done for checking what are the requirements of the jobs or any resources that are needed.

But here we are not provided with any information on the assessment that was performed. Our circumstances compared to other Metros are very different. All I am saying is that an assessment was supposed to be conducted to identify exactly what is needed. The reality is that we need to have certain function that will need to be taken over by mechanicals services are we are struggling with the fixing of our fleet. If that assessment is not done, we will not have the necessary information. I know overtime is not right and we have been complaining about it as Councillors for a long time as it has health implications for our workers due to exhaustion. Fatigue is a serious issues and needs to be avoided. We need a strategic workshop whereby we will unite for the sake of our employees and determining what type of Municipality do we want. I am conflicted because I can't remember the last time we adopted a micro structure."

Cllr B Vorster seconded the recommendations of Cllr E Snyman-Van Deventer on the amendment of the recommendations.

Cllr BL Mathae stated the following: "Thank you, Madam Speaker, the argument raised by the three latter speakers is fundamentally flawed. We are presenting this item to leave moratorium, amongst the many observations of the auditor general was that we are unable to do our work because of our high vacancy rate. We don't have to do an assessment of that rate because we know that within our present staff establishment there is a host of posts budgeted for, a work study was done but there was reluctance on our side to appoint/ I am saying we are proposing that we should not debate this matter further, let us not be pessimists.

The ANC is raising the motivation to lift the moratorium and we are bound to find pitfalls, whether we appoint people or we buy the yellow fleet, it is neither here nor there. It will also assist us to lessen the burden on overtime but it will do all that is necessary to appoint qualified people unlike the Tshwane-run Metropolitan wherein Pravin Govender, the head of emergency services was appointed with misrepresented qualifications. Marietta Aucamp, the Chief of Staffing in the city managers' office was appointed with misrepresented qualifications. The head of security services was also appointed without qualifications. We will not go that route and we will do what is right for the sake of the citizens, thank you, Madam Speaker."

The Speaker announced the voting outcomes on the amended recommendation: 24 in favour, 45 against and 0 abstained. On the recommendations as submitted: 45 in favour, 23 against and 1 abstained.

It was thereupon

RESOLVED

- (a) Note the report of high vacancy rate in the municipality and rescind its decision- council resolution 196-19/12/2022 that "No vacancies be advertised until the organogram has been finalised for approval by the City Manager". This assertion was authority overreach since authority resides with the Municipal Manager for staff establishment and filling of positions of staff below management.

- (b) That the acting City Manager must commence with filling critical funded positions impacting on service delivery pending the final review of the staff establishment for staff below management.

13.

TEMPORARY RELOCATION OF PHASE 4 COMMONAGE (BLOEMFONTEIN) TO RE/109 AND 175 LAKEVIEW MUNICIPAL PLOTS (BLOEMFONTEIN)

Cllrs B Vorster declared his interest and requested to be excused from Council.

Cllr PS Twala addressed the council as follows: “Honourable Speaker, let me thank you for the opportunity to address this august house on the occasion of our Special Council meeting to provide input and context on specific items. Madam Speaker, allow me to deal with items 83.13 and 83.14 jointly as the two-item deal with the same subject matter of relocation of commonages although it's for relocation to different areas within Mangaung.

The Municipality is experiencing general challenges of agricultural livestock that is kept in close proximity to residential areas and in extreme cases some to the livestock is kept within residential areas. Whilst the Municipal By-Laws are very clear in terms of parameters for keeping of animals in our jurisdiction, the Municipality has a socio-economic obligation to contribute towards effort of addressing the triple challenges of poverty, unemployment and inequality within our Municipality.

Madam Speaker and Honourable Councillors, as part of a drive to protect livelihoods and advance agrarian transformation, small scale farming provides an important entry platform of our community member to the agricultural industry and in particular to livestock farming. Access to appropriate and adequate grazing land is one of the key barriers to entry for most emerging or small-scale farmers and to a large extent determines the probability of success in the agricultural sector.

As it stands, the Municipality has not zoned enough land for usage as commonages or agricultural land hence we find many animals roaming the streets of our residential areas. A special plea is made to our planning department to look at zoning more land for agricultural purposes so that the Rural Development Unit can be empowered to remove livestock in residential areas. Without correctly zoned agricultural land that is of adequate size, the challenge of animals in our residential areas will increase.

Honourable Councillors, provision of commonage is a short-term solution to a growing problem. The Municipality must as a matter of urgency, conduct agricultural land audit to assess availability of larger-sized land that is appropriate for both livestock and crop farming. Farming has the potential to create more jobs as it is still a labour-intensive sector, despite the growing use of digital technologies. As a Municipality we must have a deliberate programme of agricultural land release that will contribute to fast-tracking the expansion of our agricultural sector. It is for this reason that I implore on our Urban Planning and Land and Property Management Units of the Municipality together with Rural Development to urgently look into this matter.

I therefore support the approval of this item as it will greatly assist in our efforts to remove animal nest to and within residential areas. More importantly, the approval of the item will assist in supporting emerging and small-scale farmers to have access and entry to appropriately zoned land to conduct their business enterprises. Thank you, Madam Speaker.”

Cllr ZJ Thwala stated the following: “Thank you, Madam Speaker, as the DA we will not dwell much on this matter as we are abstaining anyway but I will provide reasons as to why we abstain. The Section 80 hasn’t sat ever since the start of this Council and they only sat on February and the reason for the committee was because of the court order, hence we don’t support that. Through you Madam Speaker, my message to my Chairperson here is that, we have a very serious problem whereby livestock is moving around and going around in our yards, let them do a pound in Thaba-Nchu. My other message is for the Acting Executive Mayor who is not present, people in zone 1 are living in bad situations, they live with sewerage. They have stolen a sewerage pump station. I will appreciate if they could go and check there, thank you, Madam Speaker.”

Cllr VB De Kock addressed the council as follows: “Honourable Speaker, the Freedom Front Plus takes note of the reports. Due to the fact that the Metro is compelled by a court order and that the current situation poses a serious traffic, health and hygiene risk to the members of the community council has no other option to approve the temporary relocation The Freedom Front plus is however concerned about the following:

- The report submitted by the acting HOD of Economic and Rural Development does not disclose all the information and facts.
- The annexures to the report only consist of the contempt of court application and two photographs of the proposed land for relocation.
- The main application whereupon the court order dated 28 April 2022 was granted, should also have form part of the report.
- If the main application formed part of the report council could have established when the Metro become aware of the situation the first time.
- The report also only indicates that the proposed land for the relocation will potentially accommodate the relocate livestock and does not contain any information if the proposed land is suitable for the relocating and that the current situation will not be repeated on the proposed land.
- How can Council fulfil its oversight function if we are presented with incomplete reports? As it may be, the metro should have complied with the court order by 28 June 2022.
- According to the Contempt application no official responded to any correspondence after the court order was granted resulting in the application to bring a second application, the contempt court application during September 2022. How can it be that this Metro almost takes a whole year to comply with an order of court and only now wants to comply with the order, after a contempt of court application was brought?

Honourable Speaker, this disregard of the Metro towards our justice system is unacceptable to the Freedom Front Plus. The legal costs will further results in fruitless and wasteful expenditure. On the JB Mafora relocation, this is not good governance by the administration of this Metro and the Freedom Front Plus warns this Council, executive and administration that we cannot afford an administration that cannot or are unable to fulfil their duties while they are being paid salaries to do so.

We concur that relocation should proceed, but The Freedom Front Plus therefore request an investigation into this matter to establish who is responsible for this non-compliance and fruitless and wasteful expenditure. Thank you, Madam Speaker.”

Cllr MW Mongale stated the following: “Thank you, Madam Speaker, my colleague from FFPlus raised critical issues that I am compelled to second regarding the investigation. I need to support my colleague MMC of Rural Development to say we need to take this matter of relocation of commonages, we need to have a policy. I would appreciate if we can have an additional resolution that will give this Council a year to have a policy regarding commonages because we seem to be struggling in terms of dealing with all these animals that are kept in the community. There are no health hazards to us but themselves as they end up being hit by cars, not knowing that the real issue is that there is no policy of commonages.

We have vast and between Dewetsdorp and Botshabelo from the N-Section where we can also identify an area to turn into a trust but we need a policy. We need a policy that will restrict people from having within a close proximity to where people are living. Animals often get hit in the streets which is a horrible scene. I am raising this issue to get support from the Councillors in helping to avoid this danger of animals on the roads. We must have a policy beside the by-law that helps us to remove stray animals from the community to the commonages. We should not normalise leaving animals dead in the roads as that leads to trauma and furthermore danger to our children. I am speaking passionately about this but I want us to have a policy on commonage, please.”

Cllr MH Supi addressed the Council as follows: “Thank you, Madam Speaker, I am speaking on item 83.14 and 83.13. As ANC we seconded and approve on the following basis, we need to assist our local farmers in reaching their goals. The ANC in 2021 launched a manifesto building better communities and turn local government around. The ANC has distributed 8.3million hectares of land for the past 25 years to beneficiaries, provided agricultural support, and supported small businesses and corporates. Linked to that, rural areas to urban markets and non-farm sectors including making land available for corporates and communal land. The continuous growth of the agriculture sector has insured a contribution to food availability and economic growth.

The ANC remains resolute in its commitment to ensure access to land to reverse apartheid spatial planning and increase participation of historical disadvantaged communities in agriculture and other land-based industries. The acceleration of farmer support production units are a stepping-stone to rural economy as they provide necessary farming implements and mechanism in rural areas. ANC we welcome adoption of the national assembly of ...The ANC supports the removed tabling by the NCOP to encourage public participation to finalise the important legislation in 2023. I recommend relocation as per approval of the report, thank you, Madam Speaker.”

It was thereupon **unanimously, with additional recommendation (d)**

RESOLVED that Council approve temporary relocation of Phase 4 Commonage in Bloemfontein to RE/109 Bardenstraat plots, 175 Orangestraat Lakeview Bloemfontein. Consisting of approximately 11 owners with a total 182 small livestock, at no cost to the municipality.

- (a) That all livestock be relocated to Lakeview and SPCA determine if any livestock is not suffering from contagious disease or may prove dangerous to human life
- (b) That any livestock found to be contagious disease or prove dangerous to human life be impounded by SPCA and dealt with in accordance with the provisions of the Keeping of Animals, Poultry and Bees By-Law (as promulgated by Local Government Notice No.35 of 24 June 2016) and the Animal Diseases Act (Act no 35 of 1984).
- (c) That the identified municipal smallholdings be utilized for the livestock farming and commonage purpose only.
- (d) ***That investigation be conducted into circumstances that led to the cause of Fruitless and Wasteful Expenditure.***

14.

TEMPORARY RELOCATION OF JB MAFORA COMMONAGE (BLOEMFOTEIN) TO MARTINDALE (BLOEMFONTEIN).

The item was simultaneously discussed and voted on with item 83.13 above.

It was thereupon **unanimously, with additional recommendation (e)**

RESOLVED

- (a) That Council approve temporary relocation of JB Mafora Commonage in Bloemfontein to Martindale plots 8, 107, 162, 168, 169 consisting of approximately 48 owners with a total 1429 small livestock, at no cost to the municipality.
- (b) That all livestock be relocated to Martindale to determine if any livestock is not suffering from contagious disease or may prove dangerous to human life.
- (c) That any livestock found to be contagious disease or prove dangerous to human life be impounded by SPCA and dealt with in accordance with the provisions of the Keeping of Animals, Poultry and Bees By-law (as promulgated by Local Government Notice No. 35 of 24 June 2016) and the Animal Disease Act, (Act no. 35 of 1984).
- (d) That the identified municipal small holdings be utilized for the livestock farming and commonage purpose only.
- (e) ***That investigation be conducted into circumstances that led to the cause of Fruitless and Wasteful Expenditure.***

15.

ACCEPTANCE OF DONATION: 5 FARMS FOR COMMONAGE PURPOSES TO MANGAUNG METROPOLITAN MUNICIPALITY

Cllr PS Twala addressed the Council as follows: “Thank You, Madam Speaker. Honourable Councillors, Section 154 (1) of the Constitution of the Republic of South Africa states that: “*The national government and provincial governments, by legislative and other measures, **must support and strengthen** the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their function*”.

Furthermore, the District Development Model, popularly known as the One Plan or DDM, was approved by Cabinet on the 20th August 2019 as an intergovernmental mechanism and platform for joint planning and implementation of programme by the three spheres of government. The donation of five (5) farms to our Municipality by the National Department of Agriculture, Land Reform and Rural Development is a true example of implementing section 154 (1) of the constitution and a practical and exemplary step of implementation of the DDM principles of intergovernmental planning.

The development support and intervention by the National Department will go a long way in assisting the Municipality to provide the much-needed support to emerging and small-scale farmers. Access to adequate and appropriate land for farming is one of the primary needs and requirement for successful livestock farming. We are indeed encouraged and thankful to this gesture and partnership from the National Department.

Whilst the access to land is key, a targeted program of support is important in ensuring that the land is used correctly and that the small scale and emerging farmers are equipped with the necessary operational infrastructure and skills interventions to ensure their viability and sustainability into the future. This partnership with both National and Provincial Department is key in ensuring we unlock and provide on-going support to the farmers so that they expand their operations and extent their sustainability.

Honourable Councillors, it is therefore important moving forward and in line with the Council approved Rural Development Plan, that the municipality must programmatically support the sustainability of our small scale and emerging farmers by amongst others undertaking the following:

- Identifying potential land, including land with high agricultural potential that can contribute to Peri-urban land reform.
- Acquiring or rezoning agricultural land with good potential and access to resources, to be transformed into an active farming community.
- Assisting qualifying beneficiaries with skills, infrastructure, and other agricultural support.
- Providing training to all land reform beneficiaries in respect of business and farming skills.
- Identifying and assisting with tenure enhancement in all supporting settlement areas.

Honourable Councillors, this is a good foundation of our intergovernmental partnership, and it must be sustained. This is indeed a progressive and developmental collaboration of government spheres working together and jointly to deliver services to our community. I therefore support the approval of this item, as it will greatly assist in our efforts to remove animals' nest to and within residential areas support emerging and small-scale farmers. Thank you, Madam Speaker!"

Cllr DMC McKay stated the following: "Thank you Speaker, this is a process that started with the previous HOD in 2018 from getting the social cohesion of cattle together, moving to farms in a larger scale area. A lot of these commonages throughout the towns are more than 100 head of cattle or more and they must be moved together. We welcome the donation from province of the five (5) farms handed over to the municipality and I trust and hope that the Brandkop 702 is one of these that will be considered from the farms that are handed out, thank you, Madam Speaker."

Cllr MW Mongale reiterated the importance of having a policy regarding this matter and the Acting Council Whip, Cllr VE Nikelo seconded.

It was thereupon, with additional recommendation (6) : 64 votes in favour, 0 against and 4 abstained:

RESOLVED

1. That Council accept the donation of 5 Farms for commonage purposes to the Mangaung Metro Municipality;
2. Appoint a conveyancer who will represent the Municipality and be responsible for the transfer/registration process. The details of the appointed conveyancer must be forwarded to the Department of Agriculture, Land Reform and Rural Development;
3. Forward a Council Resolution with an ID copy of the delegated official who will represent the Municipality to sign any document;
4. On request the Municipality will be responsible to declare the values of the properties by issuing valuation certificates; and
5. To issue clearance certificate, on request, valid for 6 months.
6. ***Policy on commonage be drafted.***

After 10 minutes break, the Speaker thereafter confirmed quorum.

The Speaker thereon proposed to adjourn the meeting and indicated that Council meeting will reconvene within 7 days to finalise the agenda and deal with the three(3) remaining items. The Acting Council Whip and Cllr M Kganakga seconded the proposal to adjourn the meeting.

In closing the meeting, the Acting Executive Mayor remarked as follows: "Thank you Madam Speaker and fellow Councillors. Let me start by saying I have travelled the world and when I was in America I came across very shrewd racism which is something that we also have here in SA. I went to the Middle East and I found religious conflict, which is what we also have here when I went to the Belgian countries I found some people living in fostered arrangement, which is something we also have, you go to Asia, you come across hunger, starvation and malnutrition, which we have. Interesting enough when we met and South Africans, breaking the embassy of creating a Country that we are living in today, we never had help from any other country, but the problems that are referenced to are problems that could be picked up in all countries but we were able to sit down and come to a Constitution that is running us today and work together. I am not intimidated by the contradiction that I listened to all day long and I would request that next time we deal with issue of contradictions and we should move away from being petty especially when we deal with issues that affect communities.

I go around and meet many different people as it is my task to meet different people and you will refer some of them to me and others will be those who want to invest in this Country. I am not a subject of rumours.

Secondly when people are doing their duties wherever they are, and one of those that I work with are the deploys from different departments and I wish I could invite people to come and sit with me in our hard work of trying to shape this country, they are named and shamed from time to time.

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If you are not criticized, then you are not doing your job properly and there is a lot that we are learning from you Councillors. I also come from a particular life, I happen to have scratched in the business sector, and some of these issues here need a business mind. So Cllr MW Mongale, you are spot on each time when you question issues because they help to strengthen us. Prof (Cllr E Snyman-Van Deventer), you offered advice and for free, I am going to tap with you, the immediate advice I will seek from you is to help us with the documentation that you were criticizing because it will help us move forward. I want your advice and I will not be rigorous.

Lastly, given that you are from academia, you will by the side to ensure that we simply do not have employees they improve in terms of performance. You can sit here and criticize me, but it does not affect me because I regard you all as a resource. I play an open-door policy. Anytime you want to share something with me, feel free.”

The meeting adjourned at 20h17, to be continued on the 7th of June 2023.

Continuation of the meeting on the 7th June 2023 at 10h00.

The Speaker confirmed that there were 63 Councillors present in the Chamber and thus constituting a quorum and furthermore that notice was given for the continuation of the Council meeting.

The Speaker made the following announcements, namely:

- Regarding the translation services, the office was still sorting it out therefore, there was still no translation services and Councillors were urged to speak and address the meeting in English.
- Councillors were requested to collect their laptops at the 7th floor, Bram Fischer Building.
- On the 2nd of June 2023 in Council, there was a journalist who attended the meeting and confirmation had been received that she was indeed from OFM.
- That they had just received bad news that the Acting HOD of Planning, Ms Nkateko Mabunda had just lost a family member.

Thereafter, the Speaker afforded the NCR, Ms G Malaza to present her report to Council as follows: "Good morning Honourable Speaker, Acting Executive Mayor and Acting Council Whip and Honourable Councillors. Thank you, Madam Speaker for the opportunity to present the NCR report to Council. The report will primarily focus on the implementation of the Financial Recovery Plan with all its pillars by the administration team as well as the NCR's monitoring and strategic guidance in the implementation.

Before I begin, let me update you on the changes of the NCR team. The team is still composed of myself as the NCR, we also have a new specialist changed in February, we have a new member of the team – Mr Vusi Kunene, who has been a Municipal Manager in many municipalities the KZN and also in finance and different positions of the municipalities. Then we have the NCR governance specialist, it was previously Mr Mxolisi Nkosi who has gone back to eThekweni, his replacement is Ms Thembeke Cibane who is a lawyer by profession and registered with the law society and is able to appear in court, she is very experienced, she has served as a municipal manager in 3 municipalities. Now she is here with us as the governance specialist.

Let me reiterate, as the DA-led municipality led by the Mayor Christopher Pappas, that reached a settlement and dropped all charges against her. I am saying this because I know that social media can be a source of information that can go unchecked by many people. I want to declare that Mrs Thembeke Cibane is qualified and has no record of being dismissed from any municipality. The last person on my team is Mr Eric Ngomane has been with the team since the inception, he is the specialist on service delivery, I think many of you know. Then we have an administration of project management, the person who does most of our paperwork and all the administration we require, Mr Mbulelo Nkosi.

15A

Let me start now with the business of the day, let us first look at where we are at, we are at a point whereby the Financial Recovery Plan was developed in May 2020 in line with Section 41 of MFMA, it was adopted by Council on the 15th of December 2020. Referring to Resolution 128.1 of 15-12-2020, the intervention was initially commissioned by the provincial government, later national government had to intervene. Section 150(2) of the MFMA, reads:

- A. if the national executive in a municipality in terms of subsection 1, the national executive assume for the purpose of the intervention, the functions and powers of the provincial executive in terms of the chapter.
- B. Minister assumes for the purpose of the intervention, the functions and powers of the MEC of finance in terms of the chapter.
 - o A provincial intervention must be read as reference to national intervention
 - o MEC for finance must be read as minister of finance

I am mentioning all this because there has been a debate if there is an FRP or not, and I want to clarify that there is an FRP that was created by the provincial government. Now the MEC steps out and the Minister steps in. The Minister has taken upon himself that he will review and amend the existing FRP, but in the interim, you implement and adopt the existing FRP. We are in a process where we have undergone a review of the status quo by National Treasury in terms of them amending the FRP and they will come in due course to present the status quo after presenting, then they will present to all stakeholders involved the FRP that we will adopt and go forward with.

Madam Speaker, I want to start first by looking at the role of the FRP and the role players. The role players being the NCR, the administration led by the Municipal Manager and Council. Allow me, Madam Speaker to just touch on a few, the first one of the important function of the NCR is monitoring and making that you guide the implementation of the FRP, amongst them there is ensuring implementation of appropriate corrective measures necessary to give effect to the FRP implementation, working closely with the City Manager and also Council, in the implementation. I also want to move to the role of the Municipal Manager, it is the most important and cannot be left unattended or taken seriously as he/she is the accounting officer. He has to ensure statutory powers to the extent that impact the FRP and is bound by the FRP and they must be exercised with the concurrence of the NCR.

Unfortunately, when we arrived in Mangaung, we were given a very hostile welcoming, not only by Council but by then Municipal Manager. Mr T Motlashuping did not carry out any functions or duties assigned to him, there are some instances where he made decisions outside the concurrence of the NCR. Overall management of administration to ensure effective support for FRP implementation, the support was non-existent, at EMT, the FRP was not given a thought at all, we communicated through many letters and kept them as evidence. Required meetings between the NCR and the Municipal Manager for weekly meetings, he did not honour, he would agree and he would be absent, we only met twice. The first time was the introduction, the 2nd time was our own meeting was a very short meeting when he was about to leave, from then onwards he never honoured the meetings. The Municipal Manager must also exercise delegation's authority in terms of Council and subject to oversight and directive by the NCR.

15B

Honourable Speaker, let me move to the role of the Councillors, Council would be responsible to oversee the implementation of the approved FRP which is implemented by the Municipality. Having sketched the picture of all the roles, understanding myself and the mandate, let me go in the report.

Our report started by doing a status quo on behalf of National Treasury which we handed to them in November, it sketches a few worrying factors about the Municipality. There is a static breakdown of governance, service delivery and many other things in Mangaung. I will start with the stakeholders, the constant strikes by citizens and employees and suppliers who storm the office because they have not been paid. There is no well-defined stakeholder engagement plan, be it when we were engaging for IDPs. Council adopts the calendar but it is not adhered to. On the stakeholder engagement, Mangaung in totality, there is poor communications. There is political misalignment that is happening in the different areas. When we move on to the finance, there has been accounting laws in the past 4 years, a qualified audit finding this year, nearly avoiding a disclaimer, there is low performance across all the Municipal finances. Revenue increased by 1% per annum while inflation increased by 4%. There is critical supply chain challenges leading to poor cost management and poor service delivery.

When we look at the governance and institutional capability, the key political operational structures and committees are well not operationally. There is LLF ineffectiveness and LLF sat only once and thereafter there has not been any LLFs. There is no Risk Committee and when we look at the service delivery, it is super across all utility and community services, there is limited maintenance and experience. Equipment and fleet hamper on the service delivery which needs to be addressed. There is poor project management and there is poor monitoring. The Metro needs to attend to maintenance and infrastructure investment.

Phase 1 of the rescue phase of the FRP, there are three (3) phases and we are in phase 1, Mangaung has been in phase 1 since 2020 and this phase is supposed to last for 68 months and some of the things that are needed, immediately on the financial management aspect of the FRP, namely:

- cash position,
- improving daily cash and cash equivalents,
- improving debtors collection rate,
- payment of creditors and producing a funded budget.

Once all these had been done, then we can move to phase 2 which indicates that once you improve revenue and collection you will be able to attend to service delivery backlogs and you will not only rely on grants for some of the needed infrastructure.

When looking at the 1st pillar of the FRP, which is the financial management, Treasury set a benchmark regarding these phases and we report monthly and our report is until 2023 April. I have given Council the latest reported figures. When we look at the report of the financial management pillar, there are only 6 improvements in terms of the financial recovery ratios, of 16 of those, 9 are not within acceptable level and 1 is slightly above the level. We need to pay attention to 10.

It may seem that the picture is glooming because there are some improvements, we believe that Mangaung has the capacity to improve in some of those measures. The improvements are in terms of at least the city now has a cash coverage of two months. Also the debt to revenue is not because there is an improvement, it is because we cannot take more debt, at least we are able to pay our debt.

When we arrived as the NCR, a loan payment was missed in November and we undertook with the then Executive Mayor, former Cllr MA Siyonzana, to say we must commit to the payments and ensure that money is being fenced so that when the commitment are due, they are made. The other improvement is in the creditors payment dates but that excludes Bloemwater so when you take total creditors excluding that is within 31 days, with the Bloemwater there is progress, the executive and the new City Manager have held discussions and engagements in terms of sorting out the service level agreements and the outstanding debts which we anticipate that when we start the new budget, we will know what our monthly obligations to Bloemwater are and also stick to that in terms of the agreement.

The others need attention includes revenue collections. Our collection has improved to 78% and we believe that we can push beyond 80% if the required measures are implemented. We also have according to the FRP, other measures that are put on the side and are not applicable to phase 1 but 2. We are being monitored by Treasury in terms of those measures. Those include UIFWE, in essence the NCR has drafted a policy and reduction plan that we handed to the EMT on the 23rd of November and resubmitted on the 15th of February, wherein we say address UIFWE and also have a reduction plan and bring it to Council on a quarterly basis and that consequence management is followed by Council and administration.

Cost containment measures, we viewed the policy and handed it to EMT on the 1st of December 2022, the new City Manager is implementing and we require that this must also be tabled with the budget policies. Lack of procedure to pay creditors, the NCR team drafted a standard operating procedure which we handed over to EMT and new acting CFO on the 12th of January 2023. The CFO is implementing it hence the improvement. As SCM complies, we have reviewed the SCM policy and found many abnormalities'. We found that it was not in adherence to the legislation.

Funded budget, when we arrived, Mangaung was operating with an unfunded budget and we participated both on the adjustment budget and the MTREF. The adjustment budget is funded. Now we are working on the MTREF budget and we are still working on a few other things hence the delay in the tabling to ensure that the tabled budget is funded.

I will move to the governance and institutional pillar of FRP, we will start with the political administrative interface, with respect to the administrative interface, we acknowledge that Council is becoming more stable and they have appointed a Speaker and for the first time since June last year which is in the previous financial year, in this financial year, TROIKA has been operating and sitting and that is regarded as progress because it starts to shape Council.

Unfortunately, I am a bearer of bad news, but the news are necessary, Council adopted a calendar in July 2022, and they held 14 Council meetings and if those, the majority have been special meetings and they have not adhered to their agenda.

Critical is that all the MFMA compliance that was required in certain quarters were missed, let me give examples which you know of, we did not table the annual report as expected in quarter 3, we did not table SDBIP and the Section 52D in quarter 3, but in quarter 4. There are many things that were missed like tabling the MPAC report and approval of the annual report. It is required all in-year reports must be submitted in time.

I have not seen any measures on the annual report, you have tried on MPAC, unfortunately you have been led down by Councillors due to the quorum. Madam Speaker, only two of your calendar meetings were adhered to on time for this financial year. Council governance and oversight, we look at training provided for Councillors and also UIFWE, training was done in this year, however as Council there is no oversight and progress made on UIFWE and that remains escalating amongst many other things. Systems of delegations, the NCR took an initiative of reviewing in its entirety the delegation of authority, this was last reviewed between 2016-2017 and no progress has been made, we are hoping to engage the Acting City Manager to look at them and review them. The Executive Management Team, on our arrival, Mr T Motlashuping held Executive Management Team meetings on Thursdays and the team understood but those we cancelled at nilly-willy. There were no reports tabled, everything was reported verbally and it becomes very difficult to monitor and hold people accountable.

The Audit Committee: on our arrival we noted that the annual internal audit plan was not spaced and we communicated that to the Risk Management Unit, there has been progress and it has been aligned, in terms of the audit outcome – administration should have tabled an Audit Action Plan but that has not been tabled to Council and we are hoping that they will bring, there has been challenges and we indicated to Mr T Motlashuping how important it was but he did not head our guidance, now Ms Ngaka Dumalisile is here and is pushing the team to finalise.

Our concern with that is that the AG was here and lamented the Municipality for not following up on Audit Action Plans. We will finalise the Audit Action Plans, however we will have no days to implement it because it is end of the year. Carrying in the governance, in a nutshell when we look at it, it is the backbone of the Municipality- the financial management and service delivery are both dependant on that so unless we sought and get some of those basics right, we will not achieve the milestones needed. One of the key things we noted is that performance management needs to be implemented and we requested that the then Deputy Executive Mayor, former Cllr Mapaseka Mothibi-Nkoane to go through the performance contracts and performance evaluation for the administration team, everything starts at the top so if the City Manager has a performance contract, it must be reviewed. Since the intervention team arrived in Mangaung, no performance review has happened.

Service delivery pillar – FRP looks at few components which include ineffective collection, limited resources in terms of fleet, fixing of potholes and leaks. If we look at the progress to date in terms of waste collection, we have fully supported the efforts by requesting additional money from National Treasury to order fleet. We now understand and know from the Acting HOD: Waste and Fleet management, Mr F Nel that the orders have been placed and everything has been signed off, that will improve our capex grants. Mr Wallace McLeod (Acting HOD: Engineering Services) also received his fleet and awaiting more, that is progress in terms of waste collection.

Fixing of potholes – National Treasury gave us R20 million to fix them and that is not enough money hence we need to make our own revenue. The potholes that have been attended have been included in the capex and that money has been used.

Fixing of leaks – we anticipate that they will become more of a problem and a waste of expenditure, we need a plan and the engineering is working on. Treasury also included certain things in terms of service and they include contract management, Section 116 compliance, dysfunctional water treatment works, funding for water treatment works and funding for water spillages. As the intervention team we drafted a Management Policy handed to EMT on the 14th of December 2022 with respect to contracts management. EMT committed to implement the policy in the 2023/24 financial year. Section 116 compliance, we drafted a Section 116 reporting framework and handed it to EMT on the 12th of February 2023 with a view to monitoring contracts and performance. This is important because in Mangaung there is a mismatch of appointments of service providers as a consultant to look at projects on the ground, if you do not align these two, then there will also be standing time that we cap unnecessarily, there will contractors who leave because there is no consultant and vice versa. Section 116 is being implemented and started in the month of May and we hope it will come to Council after the 1st quarter.

The water works – we visited there yesterday and we are reviewing all the capex on the ground, there is work being done and Treasury has given us funding in terms of prioritising the refurbishment of the plants however the funding is not enough, we need to have our own revenue collection to address all these. We initiated a capex war room which is led by the Municipality reports to the City Manager, this started in the 2nd week of May, when it started, total capex was 32%, last week when we closed the months, it was at 45% just in two (2) weeks. What we are doing with our team is to go and review on the ground.

We are also reviewing the invoices that are in the pipeline before we pay them on the ground and doing a capex inspection and you are all invited to join us on our capex inspection days. Our capex inspection takes place on Tuesday, 1'o clock we leave Mangaung we surprise areas where there are contractors on the ground where we are waiting invoices.

In conclusion, I thank you for listening, I want to leave you with this – the successful implementation FRP depends of the commitment of all staff, as well as positive working relations between political and administrative leadership. Furthermore, the interrelations between EMT and NCR teams. All decisions that have an impact on the four (4) pillars of the FRP must be taken with the concurrence of the NCR. The FRP must be understood by all role players, it is impossible to achieve the pillars while working in an environment where decisions are not taken by all parties. Let us improve our commitment to achieve better. Thank you, Madam Speaker.”

After the presentation by NCR, the Speaker afforded Councillors to comment, raise clarity seeking questions as follows:

Cllr SP Tsoleli: “Honourable Speaker, this Council voluntarily requested to be placed under Section 135 (5)(a) and (c) of the Constitution of the Republic in December 2019, which came to effect in June 2020. Subsequent to deteriorating situation, Province requested National to intervene in terms of Section 139(7) read with Section 150 of the MFMA.

It must be noted by this Council that this is the first time since 2019 that this Council receive a progress on Financial Recovery Plan and we cannot ignore the fact that this significant moment is happening in the period while both NCR and Acting City Manager are women.

Madam Speaker, as ANC we welcome the report as tabled. This report present an opportunity for this Council to reflect on critical matters that needs an urgent attention. It is presenting in black and white matters that needs committees of this Council to develop strategies on how to improve oversight to speedily deliver services to our citizen and change the status quo.

Madam Speaker, the report has identified areas where we need to change and strengthen our existing policies and by-laws in order to respond to the current demand and challenges of services delivery. Before we rubbish and dismiss it, we need to ask ourselves difficult questions about our Constitutional mandate as this Council.

Honourable Speaker, the way to get started is to quit talking and begin doing. This Council for the past year has spent so much time on matters that has little to do with services delivery and changing lives of Mangaung residents. ANC urge this Council to move forward together, and success will take care of itself. Ndiyabulela.”

Cllr T Van Der Walt: “Thank you, Madam Speaker, I want to mention that I think every Councillor here wants to see the EMT succeed and the City succeed and we will do anything we can to achieve but it will only be possible if our political leadership led by the Acting Executive Mayor does their part in overseeing and giving leadership in Council. If we don’t do that, there is a very real movement from the citizens talking about the rates revolt and even in the Council is dissolved, the revolt will still occur.

This is the first report that we have seen since the intervention started 14 months, this is in contravention with the Terms of Reference (TOR) that were gazetted, no explanation or apology as to why we didn’t receive previous report. Reading this report sounds like a page from the underrated book on how the ANC continues to slaughter our once very powerful electric company, yet very little of what is written in this report has not been suggested or brought forward by the DA in this Council in the 2020 financial year. It confirms what we have been saying and calling for Mangaung to do for many years, and very little progress has been made on the key interventions needed to turn this City around. Because the ANC appointed NCR and intervention team, instead of resolving the key issues identified, she thinks the solution is to dissolve Council.

Through you, Madam Speaker, the top 10 according to the Auditor General and ratings in Africa are all DA, if you want to learn lessons about governing you can go to the mayor and officials of the best performing DA municipalities for advice and even ask for help. I listened to the list of NCR and I wonder if there is one person who was once part of the best performing municipality while they performed so good, I don’t think so. Just a word of caution, the previous Minister indeed the Mayor of Saldana Bay, which is the best performing in terms of finance to ask for help with struggling municipalities and even sent officials on one condition, that if there is any corruption discovered by his team and they are stopped from acting on it, he will take his team and leave, he has not heard from the Minister of CoGTA since. This shows that, we will never have nice things in Mangaung while the ANC is in control, I beg you to prove me wrong. Water losses has reached 49%, now a study will be done, really. Do you not see the water flowing in every street everyday despite being reported to the call centre?”

Cllr JH Denner: “Madam Speaker, I would like to congratulate the NCR and the intervention team, it took them only six months to bring the report to Council and that is because instead of improving the financial situation and focusing on their actual mandate in the Mangaung Metro Municipality, the NCR and intervention teams are involving themselves with all kinds of issues except the Financial Recovery Plan, the budget and the IDP.

The Financial Recovery Plan is supposed to inform the IDP and budget, one would think that the NCR and the intervention team would assist with the budget. But no, its still the same cut & paste draft budget that we see every year. Instead, the NCR thinks she is the administrator of Mangaung by interfering in Council, deciding whether Councils decisions should be implemented or not, how it should be implemented and so on.

Through you Madam Speaker, Ms G Malaza if you served any purpose at this Municipality, the budget would have been your focus and not Council meetings and Council decisions. You were never elected by the people and you interference in Council is unacceptable and undemocratic. One example to prove what I am saying here is in Annexure B:

The Metro carried its business as in the past. The report claims work that has been done in the Metro. In Afrikaans we call this *“on ‘n ander man se werk as jou eie aan te dui”* In English *“to indicate another man’s work as your own”*.

Ironically the NCR and intervention team updated and revised the 2019 Financial Recovery Plan by including provision for an expense of R14,2 million according to an answer from the Minister of Finance in reply to a question regarding the actual cost of the intervention team to the Metro.

- Who is paying for their accommodation and security?
- Are they costing us more than they are worth?
- Is this Municipality just a cash cow for those who are apparently tasked to turn it around?

I cannot refer to page NCR as the agenda is not paginated. If you cannot even manage to number the pages of an agenda for a meeting of your oversight body, then I suppose we shouldn’t expect miracles or at the very least sound financial planning and management either.

The lack of performance in solving Mangaung financial woes is clearly illustrated in Annexure B:

Hierdie is bloot n spoeg en plak oefening van groot woorde met die hoop dat dit skreiende wanprestasie sal verbloem, bv:

There are so called root causes and strategies to solve it identified, but no results are indicated. Can I deduce from this that none problems have been solved?

Example: Creditors of more than 31 months, what are the cost of money after almost three years? Unthinkable from a service providers point of view.

Capital budget implementation 20% below the norm.

Billed revenue: 98,07 %, not sure if anybody would believe you.

Water infrastructure maintenance plan: Not completed

Unaccepted water losses: No budget, What was your role here?

If the NCR and the intervention team were actually in Mangaung and in their offices or actively involved in their supposed business there would have been a clear indication of that in the financial of the Metro.

Did Mangaung become the dumping ground for corrupt officials? How can we trust this intervention team? But as it stand you can't really intervene in a place if you leave on Thursday and only come back on a Monday. This NCR and the intervention team are clearly not here for the betterment of Mangaung. The people of Mangaung deserves better. You supposed stay, do your work and see the sights-or what's left of it. I thank you, Madam Speaker."

Cllr PJ Rampai: "Madam Speaker and Councillors present, Bomme le Bontate; I have read the report of the NCR with apprehension. It is almost inconceivable that the Municipality pays such a huge salary bill to its employees every month with such a small return on its investment.

My attention was first focused on the management of revenue, as the City had a debtors balance of around R10 billion by the end of April 2023. I have also reminded myself with concern that the comments in the NCR report are underlining condition that been existing for the past almost three years with little or no improvement.

The report reads for example that the revenue management activities of the City are still unguided and that the most critical shortage are still being the lack of responsible manager.

Madam Speaker, I am underlining the word still here, because it has become very clear that a culture of no-consequences has caused the employees of this Municipality to become audacious in their non-compliances to the set rules and regulations. By now, they know that nothing will happen to them! It is also very suspicious that I am reading reports of critical posts still not being filled after three years. This smells like deliberate sabotage and helped to open the doors to the precarious position that we find ourselves in today.

The ACDP is of the opinion that certain elements in this Municipality are actively working against any and all plans or action to turn it around and they are getting away with it because there are no consequences to their actions or in-actions.

The ACDP demands that the never-ending letter-writing and so-called investigations must be beefed-up with actions. If we want to see this Municipality turn around, then heads must roll or arrest must be made where necessary. We can keep on holding endless meetings-but without any decisive actions, this Municipality is not going to be saved. I thank you, Madam Speaker."

Cllr MW Mongale addressed the council as follows: "Thank you, Madam Speaker, today I will sound like a scratched CD and it is heart-breaking to see a report coming after 14 months when the people have been sent an expert. The NCR was sent here to come and assist the Municipality in terms of the FRP but they failed with distinction. What she did was to sit here and lament. This is not an institution that heals those who are crying but an institution where service delivery must be effected and this is what has failed. We cannot hear about Mr T Motlashuping in his absence, as that is a cheap shot or an attack on someone who cannot respond for himself. The document we said is not here, the FRP, I still stand by my word that we do not have the FRP that has been presented by the Minister of NCR or National intervention, what we have is a draft which means it is a preliminary version of what is to come as a complete document but it never came.

There is R100 million lost while the NCR was here when the acting CFO was Mr T Sediti, that money has not been recovered, and we heard there is more missing money in her presence because she chose to play politics and not her actual role.

It is so opportunist of here to mention that this Council has failed to adhere to their calendar but she did not tell this Council why her finance have been increased by getting two (2) bodyguards to people who come to this Municipality, I am talking about 18 bodyguards and she did not tell us how much they are costing the Municipality in terms of accommodation and food and entertainment and all other aspects. She has been mum because she thought we will forget about it – no we are not sleeping.

The issue of consequence management – if she is complaining that there has been an Auditor General report and has people has been flanked that they committed unlawful acts but nothing has been done, it is her duty to assist the national intervention to ensure that there is consequence and she failed. The three (3) phases she mentioned will not even be achieved under her leadership unless there is a replacement of her or her entire team, which claims to come and help us while they are milking our money. The pie chart on page 19, seems to not show any picture that NCR has done anything with the team in terms of collecting money that the Province and National owes us even after the promises of the Minister. I am so hurt because it is a report of 4 quarters and we can't fix it in 5 minutes. It's a reality and you will realise that I was correct. She has been here on holiday, not doing anything, she only started acting when we complained and she started panicking which is clearly a cut and paste.”

Cllr GJ Lipale: “Thank you, Madam Speaker, it definitely would sound like Ms G Malaza is now passing the buck to Mr T Motlashuping but the EFF stood here and said, he was brought here as an expert and cannot be left unattended. How are we going to deal with it because I believe her when she says she attempted to make an appointment to meet with him because the EFF wrote 18 Rule 38 questions and requested so many meetings and he never responded. We attempted have an appointment and we could not, the man is very arrogant, but it would seem like some people are just shifting the blame.

The NCR provided a presentation here and regarding it, they talked about the revenue and the service delivery and governance. Regarding the revenue – how do we make sure that Municipality on its own can make its own money, there must be a skills audit because we can't even fix simple issues like potholes or sewerages. It has not been raining, but go to the location and see the spillages because they often blame the rain. There are people who are sleeping on duty and don't have any skills and are just sitting in offices. NCR must also make sure that the resolutions provided are implemented. We took so many resolutions but nothing is done.

She has also mentioned the issue of stakeholders whereby there has always been disruptions in this institution, we have also interference of politicians on day-to-day running of Municipality, and that plays a role whereby there is always instability because we cannot have a situation whereby come and threaten and close this place. People need to have their salaries, can we make sure that workers are remunerated because that will improve productivity. Can we make sure that we improve in terms of service delivery so that we can have a situation whereby our people can afford bills.”

Cllr TJ Mogotloane: “Thank you, Madam Speaker and the August house at large. On an occasion like today, particularly on the progress made with FRP, takes me back to the late 18th Century Europe, it was the best time, it was the worst of time, it was the age of wisdom and the age of foolishness. It was belief and incredulity. It was a season of light and darkness. It was the spring of hope and winter of despair. We had everything before us, we had nothing before us. We are all going to heaven and we are all directly opposite. In short, the period was so far like the present period. Madam Speaker this famous poem by Charles is in the famous novel – a tale of 2 cities. In short, the period was so far like the present period. It is a mess. These famous lines hint at the novel central tension between love and family on one hand, and oppression and hate on the other hand. Implementation of the FRP is mandatory.

The NCR report to Council outlines pillars of the FRP as well as the roles of the different stakeholders. The best pillar is the financial management, which has three (3) phases:

Phase 1 – rescue which focus primarily on cash and restoring cash position of municipality so that we can be able to deliver services.

After a period of almost we are still in this phase, which was supposed to take 6 months, but there is some progress albeit at snail pace.

There are concerns regarding funding of budget, supply chain management, UIFWE, MAAP, there is also an NCR monitoring tool as well as current interventions in this regard.

Pillar 2 – governance and institutional development matters, it is about the HR and how they relate to each other in order to bring about service delivery. In the NCR words, Mangaung is characterised by elements of a lack of poor oversight systems.

- Political instability
- High vacancy rates in senior positions
- Low staff morale
- Poor work ethics and professionalism
- High litigation including cost and poor planning
- Interventions
- Monitoring tool

We need to improve our relations; a lot of emotional intelligence is required in this regard. I am not going to say anything about pillar 3. FRP is necessary for us all to implement, even us as Councillors, we must memorise the 3 pillars. In conclusion, the ANC supports the NCR report and we expect more. Rise for the days passed.”

Cllr S Pretorius: “Honourable Speaker, the DA takes note of the report from the NCR. Unfortunately, I think more time was spent on compiling this report, than actually implementing the Financial Recovery Plan and improving service delivery in Mangaung.

First of all, NCR, according to the TORs, as gazetted on 28 April 2022, you must report to Council monthly, yet this is the first report in this regard before Council since the implementation of the National Intervention. I think we all can relate to that odd school report card that we did not want to take home and show our parents, if this was my report, I would also not want to bring it to Council, I guess that explains the lack of reporting up until now.

Just a word to the wise, the TORs (as gazetted) are not discretionary. They are there for a reason, and if you are serious in achieving your goals, they will assist you. Just a few “highlights” from your report:

- 1) The percentage of repairs and maintenance to Municipal property is very low at 0,32%, which is likely the causes of infrastructure collapse and failing to replace ageing infrastructure
- 2) The period for debt collection has dropped to 431 days, which is way below the National Benchmark of 30 days
- 3) Water distribution losses is at an all-time high of 49%
- 4) Revenue growth has declined to -0,30%
- 5) Irregular fruitless, wasteful and unauthorised expenditure is an indication of poor planning and no control
- 6) The City is underspending at 33% on its capital budget. The risk we face is losing much needed capital grants.

The deduction made by the NCR, as per this report, is that the city is in financial dire straits. After being under National Intervention for over a year, our financial situation is indeed dire and service delivery is at an all-time low. I think it is clear that nothing has improved in the past year, if you are serious about your role in turning Mangaung around, please focus on your mandate as per the TORs. I hope that in a month’s time we will be seeing positive change in the City and a better report, with real progress. If not, we are just wasting time and paper by printing reports that serves no purpose. The citizens of Mangaung deserves better than this.”

Cllr BL Mathae: “Thank you, Madam Speaker, let me appreciate and applaud the report by the NCR team. Honourable Speaker, Cllr T Van Der Walt must coordinate his thoughts before he speaks, he makes a cheap shot at the ANC, a rhetorical statement. Perhaps he must go and ask Cllr Anco Barker who resigned from Mossel Bay Municipality from the disgraced DA why she did so.

Regrettably the rest of the speakers who spoke from opposition except the EFF as well as the AASD spoke like visitors from Mossel Bay who know nothing about what is a sick nation in Mangaung. I would like to ask a few questions and I would predicate them with a few observations:

1. Is there any improvement in our liquidity position as the Municipality?
2. How is our debt sheet standing at present?
3. Are we making headways in the implementation of the FRP?
4. How soon can we get out the intervention phase?

My observations are as follows: I note with appreciation that the decline in the global demand for commodities occasioned by the covid 19 pandemic has significantly decreased our fiscal deficit in most parts in the world, including our own Country and Municipality. I also note that our borrowing as a Country has dramatically increased and as such our debt sheet has grown bigger exponentially. I also note that the need push in inflationary pressure in the consumer price index has compelled us to revise our GDP growth rate. The share and the commodity prices, especially crude oil is presenting a huge challenge, the Russian-Ukraine war has exacerbated prices in the commodities. The Eskom prices in power outages are unimaginable proportions have equally not been helpful.

The sustained rise in the prices of commodities has led to shortfall in the purchasing power of our currency. All of these factors including food, clothing, housing, transportation have gone up dramatically. As such all these factors in their totality, have had a negative impact the quality of lives of our citizens. In view of all those observations, I want to ask the honest observation of the NCR without casting any aspersion on their report. The report is well drafted even though it is not painting a rosy picture but it really paints what has been obtained so far and anyone who cast aspersions on that report is like a visitor from Mossel Bay, thank you, Madam Speaker. “

Cllr JI Mokoena: “Thank you, Honourable Speaker, why I had earlier thought that I was lost and I realised the NCR might have made some summary from where she was speaking and not took out from this report, it would have been helpful to have had that summary. I am just going to relate two things, there is a story that I heard from my father about one guy that he saw looking at night at a pole with a light, and this person was looking there and when he passed, they asked him what he was looking for and he said he lost some money, and he started to help him. When being said how he lost the money, he indicated that he had come from the left side and he conveniently started to look where he did not lose the money.

I am relating this story because this report of the NCR has all those similarities to us when we came here and stated that we want to contribute to the rehabilitation of this Municipality. We would recall that we had asked for reasons that the handover report also contain Mandatory Financial Recovery Plan which was included and as a result, some of us did not know what some of those indicators were. Now we have a history from 2020 wherein this Municipality, in terms of the projections, was supposed to be stabilised. The first report after we have been elected still tense that we are still in ICU and it gives us that our vital signs for a healthy Municipality are actually going down but we have been in ICU with specialist and everybody else who has been trying to assist us. Our health has not improved, so I am not sure whether we are on our deathbed or whether it relates to the ability of those who are looking after us.

One of things that worries me is that, the NCR referred to the challenges that she experienced with some of the EMT members who were seconded and she also exchanged her team, but we as a Municipality we don't know what is the rationale for those changes. This Council must take ownership of its future. We should be able to make a fair assessment as to whether the process up to this far has been helpful and what do we intend on doing. Mangaung you are on your own and we need remedial measures. This is a report for us to start to work.”

Cllr T Van der Walt: “Thank you, Madam Speaker, to take it further about the water – any Councillor will take you to the hundreds of burst pipes, you don't need a study NCR, you need working trucks and qualified teams, you need adequate equipment and a competent service providers or officials who can repair pipes, this is prepaid revenue we simply loose because of avoidable failures in supply chain management, finances and technical services. Mangaung only collect 50% of its billing – according to this report. I always wondered how you get to 75% collection rates in your budget and now I understand that Centlec collects nearly 100% and Mangaung collects 50% and when you add it you get 75%. No business will ever survive if it collects 50% of the services it bills customers for. Still we pay Ramothello to collect debt even from the customers whose accounts are up to date.

We need to ensure that we collect what we bill customers and ensure that debt collection department implements our policies before the debt becomes 60 days and not 400. Saldana collects nearly 90% and the Mayor says its linked to the assessment of municipal performance by residents. It's a mutually beneficial relationship, not in Mangaung where residents are expected to pay for refuse removal while you can see there is no soil cover over the daily waste dump and the waste fill site for the past two months and residents are lucky if some of their refuse is removed once or twice per month.

I must mention the legacy of Cllr BL Mathae who has left the Waste and Fleet Department as GM, his time will surely be in time noted in the history of the City. A time of intimidation, political interference, death threats, truck breakdown and non-collection in Mangaung reached an all-time high. I pray you do not bring any of that to our Council Chambers, please leave it at the door.

Supply Chain Management is broken, it needs to be fixed and it won't happen because this the feeding trough for cadres. R85 000 for a bullet proof vest, really? Lastly the report admits that the budget is not funded because Mangaung continues to fail to collect debts and the budget is not relevant because of a lack of consultation as we repeatedly called for a proper functioning IDP representative forum. Treasury found the budget to be unsustainable due to this deficit budgeted for. Mr Mayor, are you going to act on the advice in this report and monitor the progress or will you continue using your slimming majority to push the budget through. If I may mention, you were not here when I started, when you started your feedback on Friday, I had a moment of hope, you listened and wanted to learn and that gives me hope but Mr Mayor there is still a long way to go and I hope that you can successfully make sure that the Financial Recovery Plan is implemented, thank you, Madam Speaker."

Cllr Nikelo: "Thank you Speaker, I think myself as well, I will end up sounding like a scratched CD but also at the same time, I want to applaud Cllr JI Mokoena for not sounding like it because he was precise and relevant towards what has been presented. I just want to say I need to applaud the NCR on the report that she submitted today because for some time as the Council we have been looking forward for this report that will assist us as the Municipality to measure the direction we need to take in building this institution.

Over and above that, it cannot be right when the NCR is presenting the report, she is crucified this wonderful report. Cllr MW Mongale will go to the extent of stating that this report is cut and paste. All of us are used to listening to this thing of cut and paste that we turn it into a song. I also need to indicate that this report, I heard there was one Councillor who claimed the report was not supposed to be here because it is a waste of paper. I want to put it correct to the community of Mangaung that I sat in our previous meeting and I wish our meetings are held in public so that everyone can understand the level of contributions and there are some parties who's interest are not aligned. They don't have the aspirations of our people at heart.

I want to go to what Cllr JI Mokoena said that this report will assist and we critically analyse it and we come up with remedial actions to make sure that we implement on the deficiencies that the NCR has defined. I want to say to the NCR, continue doing your work because it is important that you guide and as per your terms of references indicated in the cabinet declaration.

I want to say to our community that we are on the right track and we are working towards improving, and we believe in you Executive Mayor that you will deal with all the issues, thank you.”

Cllr DMC McKay stated the following: “Thank you, Madam Speaker, through to Ms G Malaza, you indicated that the infrastructure or department has not plan to fix the water leaks. On the 15th of May, the DA through to the Acting Executive Mayor and the Chief Financial Officer, a clear laid out plan how to just move one or two things in the budget and there will be more than enough instead of making R15 million available for the lease of vehicles, that 14 bakkies could be caught for all 14 teams for the water and R100 000 per bakkie as well R6.5 million allocated for sewerage. It’s a clear laid out plan and we have not heard from the Acting Executive Mayor and that plan can be followed and can resolve the plan, instead of R400 million be wasted on wasted.

The 2nd one is Ms G Malaza, you speak about someone serving with distinction, if someone serves with distinctions that does not mean that they lost the high court case in criminal charges being open, that is not distinctions and that is highly contextual, so employ somebody and to dump somebody as a colleague of ours in criminal activities is not the idea we want in Mangaung, thank you, Madam Speaker.”

Cllr MW Mongale: “Thank you, Honourable Speaker, let me start with the English part of cut and paste – when you look page 17 of the report of the NCR, you will see that she is referring to an operation of financial recovery of the last five (5) years, when there was not in the last five (5) years, that shows that it is cut and paste. I didn’t want it’s a misrepresentation of facts because people will accuse me of speaking English.

The issue of collection and meter reading where it shows that it is only 80% of meters that are read out of 140 000 metres and she is giving example to say when there must be a synergy between finance and the department of infrastructure – it’s a correct submission but the problem is why was it not submitted and why did she have to wait for us to say there is no FRP and they are on holiday then they start to write a report and they tell us that these are the challenges that they are facing, how would we have known?

Now that she is here, she can speak for herself and state her story, we have not heard the contribution of the intervention as they have not been given the authority, also to hear the allegation that she has raised against the EMT. It would be nice that this report when they arrived before they can come to the Council, they must be sent to all relevant Section 80 Committees for criticism so that people can analyse and be able to agree or disagree with the document, not a last minute just to submit a document and not going through the entire process. We are not fighting the person, we are dealing with the issues here.

She mentioned the issue of systematic breakdown of governance, that systematic breakdown of governance, she should have alerted at least if the then-Acting City Manager was not cooperating, she should have alerted the executive and said that she is not enjoying from Mr T Motlashuping, may you please assist even if you can arrange a meeting where we can sit and try to find out what is making us not work as a team so that matters can be resolved. I don’t think that they hated each other so much that they could not sit around a table in the presence of the executive.

I don't want to assume that they came here and the NCR was coming from this function and Mr T Motlashuping was coming from this function and that is why they could not reconcile. The issue of LLF not sitting is a time bomb. If LLF is not sitting it means the morale of Municipal workers is at its low time because their issues are not getting a platform where they can be addressed. Unless they substitute LLF with another institute where they resolved issue and it is above board.

The issue of credit control – she came with suggestions and that when you collect debt we should not collect at the percentage we are collecting now which is 79% although is an improvement but the actual debt collection was supposed to be according to national standards which is 99% - we will not reach it for as long as they have treated Province and National as holy cows and that the money that National and Provincial cannot be fetched because if you go there it is a no-go area. I thought National Cabinet Representative will have the authority to talk to Province and National and tell them that they are crippling Mangaung Metro Municipality.”

Cllr BJ Viviers: “Thank you, Madam Speaker, through you to NCR, if you cannot answer me today you can do it later but could you explain to Council how we get to this 79% debt collection, it just doesn't make sense especially if you look at the last three (3) months or first three (3) months of this year where our outstanding debtors grew with half a million. My fear is that most probably that collection figure is word out on debt younger than a year but if you look at our debt, older than a year that just grows, so maybe in your next report we will be much obliged if you can give us more clarity regarding how you get to a 79% debt collection and maybe if it's not just current debt younger than a year and not older.

Secondly, I did note that creditors are almost half lower and my fear is that we don't get the money and now we pay creditors and it's wonderful to go back to National Treasury, Province and Cabinet and say creditors are being held at bay but maybe we are paying money to the creditors that should have been utilised other places. The reason I say that is that you mentioned a large figure of million on potholes that were fixed and I don't know if that was Mr T Motlashuping's time, but I don't see the fixed potholes. On what my colleague just said, regarding National and Provincial government debt, I again want to reiterate that it is now time that this Council referred the Credit Control and Debt Collection Policy back to the Rules Committee so that we can alter it and so that in terms of that policy, we can also institute debt collection from government because clearly NCR didn't do anything about it, previous didn't do anything, maybe if we had it over to debt collectors and we continue with formal litigation processes as to sue National and Provincial to pay us the money. Hopefully it will work.

My last proposal which I will be thankful at NCR, overtime, overtime, overtime. We budget R7,5 million overtime and each year, overtime goes more than that, now that milking of the cow that a lot of Councillors have referred to now, in my mind its overtime because it never stops. When will this Metro reach the point where that additional food basket of overtime for ANC carrying members of the administration and workers will stop? I thank you, Madam Speaker.”

NCR, Ms G Malaza responded: “Madam Speaker, I will try to respond to the ones that I am able to and also commit to include them in my written responses as it is according to Council and with the ones I am not able to respond to immediately.

Cllr BL Mathae asked when do we think we will improve in liquidity – I think it is not a matter of when but a matter of what we should do to get the when. The what we need to do is essentially collection, Councillors have been saying that I am pleased at least today, the business is being disconnected that are long outstanding and also the Provincial government is also being disconnected as we speak. So, what that needs to be done – when you look at our liquidity ratio, you will see that the cash coverage ratio has improved but the current ratio has not. To get to a position of overall liquidity improvement within the required stipulated frame according to National Treasury of 1.5 : 1 of liquidity required , we need to put in place debt collection, billing has to be complete and clean up our billing, stop on the estimates, so when we put those mechanism in place then you can by when do I expect this to happen.

To put the cart in front of the horse is very dangerous, this is not something you can thumb suck, we need to put those measures in place. We are hoping that with the Council and administration and the commitment if and when we do hire city managers, CFOs, will lead to direct administration and bearing of fruits. That was the one question and if I missed any, it is because I've only highlighted as questions, the other question came from Cllr BJ Viviers and that was in terms of collection ratio – I will get back to Council on that matter and it's not something that the finance guys decide on, there is a guideline on how to collect and calculate this, I will provide that guideline. The rest I have noted that there were suggestions on the DA on addressing water leaks that we need to follow up and most of them were not questions but inputs that we have taken into account, thank you, Madam Speaker.”

Cllr D Leech stood up on a point of clarity by stating that the same question was previously asked in Section 80: Finance and that the 78% and 79% refers to the current account, that it was not for the entire year but for a specific month.

The Councillors then voted on the item.

It was thereupon with 45 votes in favour, 0 against and 28 abstained

RESOLVED that the report was considered and approved by Council.

85.	REPORTS FROM THE SPEAKER
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1.

NON-COMPLIANCE WITH TIME PROVISIONS OF OVERSIGHT REPORT (SECTION 129 OF THE MFMA)

The Speaker presented her reports as follows: “Councillors, I will refer you to volume 7. This item is brought to Council with regards to the oversight report of the annual report. In accordance to Section 129 of the MFMA, Council is required to bring oversight report 60 days after it has been tabled in Council. The annual report was tabled in Council on the 13th of February 2023 and directed to MPAC to come back to Council within 60 days. Therefore 60 days after the 13th of February, this report had to serve in Council on 13th of April 2023 which has not happened to date.

There are certain factors and reasons for the failure to submit and they include the resignation of the Acting City Manager, Mr T Motlashuping meaning that the answers to questions were not received by MPAC. There is also a shortage of staff within MPAC which created adequacy and resulted in the failure to present to Council. Some of the information in the annual report could not be verified and the removal of the MPAC chair left a chair.

I had a consultation with members of MPAC as it is a committee of Council as stated in the Municipal Structures Act that a Council must have a Municipal Public Accounts Committee. It is a committee of Council and I did interact with members of MPAC to try and see how we can get the oversight report in Council ASAP. What I want to report in Council is that we sit with a big predicament with regards to MPAC, so we are not able to do any oversight committee because it is not able to function without a Chairperson. I want to request from Council to make a decision on how to handle the decision regarding MPAC Chairperson. There are two proposals I want to put before Council which is we elect a Chairperson for MPAC however I have to tell you that the Standing Rules and Orders, item 10.1E, reads *“the chairperson at a meeting must [D] reject any motion, proposal which regarding a matter which a decision is being awaited.* There is currently a case regarding an MPAC Chairperson which may indirectly affect the decision we take in Council regarding the Chairperson.

Second proposal is, if we decide we won't elect a Chairperson for MPAC is to elect an interim Chairperson for MPAC so that it can continue with their work. Those are the two proposals and I will take inputs on those proposals if there are any.”

The Acting Council Whip: “On the 1st input – I am really shocked and very surprised that the input has to be made in Council today. I want to put it correctly, Madam Speaker you are quoting the right provision of the Standing Rules and Orders but at the same time you are referring to something that is incorrect. I am not sure whether this Council has been informed about the court matter that involves the Council. Madam Speaker, you are taking a political matter and bringing it to Council. There former Chairperson of MPAC was an ANC member and that chairperson. We are approaching the by-elections because the same person has been expelled within the Council and now that you are raising this matter, it is an ANC matter and must not be dealt by Council. Don't do this Madam Speaker because we spoke about this matter at TROIKA and we agreed that we may never had this issue. We as Councillors of the ANC, I don't even know there are Councillors who took the ANC or any other matter to court. We can't bring political issues to Council. If an item of electing the Council Whip needs to be considered by Council, it can't be thrown through the window, due diligence must be done.”

The Speaker responded: “I am not involving myself in political issues but as the Speaker of Council, I must inform of things on which they must consider if they take a decision to avoid prejudice, so that's the only reason I mentioned that so that Council can take an informed decision.

Secondly, I am not saying we have to vote today, I am just informing Council on how they want to proceed with this, that is all I'm requesting because MPAC is a committee of Council.”

Cllr BJ Viviers stated: “Yes, Madam Speaker, my understanding is that there are several court cases hanging at this stage and we will even know with reference as it was interdicts. I think it’s safe and I noted what Cllr VE Nikelo stated, to again opt for an acting chairperson for MPAC. Currently your position is acting, executive is acting. When it transpired, clarity will tell you that acting that, but to continue forward today. I am not saying Council must not appoint permanently, this is just a safety measure. I honestly will never happen in court case but it is safer to resolve for an acting chairperson because I think of all us that MPAC must do its work and that will just be my point. I would humbly propose that according to me, we should then vote if we will in the next Council meeting if we will vote for a permanent or interim chairperson for MPAC.”

In responding to the comments made, the Acting Council Whip reiterated: “Cllr BJ Vivier, through you Madam Speaker, I am not refuting that the Council may take any decision in terms of either electing an acting or interim chairperson of MPAC. I just wanted to indicate that there is no matter that is before the court where the Municipality has been cited by those Councillors or former chairperson of MPAC. We cannot as an institution decide to elect the permanent chairperson of MPAC because there is a matter wherein the Municipality has been cited. I want to repeat that as far as I know, it is purely a political matter, if he went to court, he is contesting for his membership of the ANC.”

Cllr BL Mathae further elaborated: “There is no harm in electing an interim or a permanent member. However there is just a course of acting that has to be followed and must be guided by the program in-committee. You will recall Madam Speaker that an Ordinary Council still has to be convened for election of Executive Mayor and Council Whip. I will propose that we suspend the debate on the election of chairperson of MPAC and that should be done simultaneously when we handle the Executive Mayor as well as Council Whip. We should afford the Council the opportunity to elect the Deputy Executive Mayor as we have not done. If there is no harm in adopting the report in the absence of the chairperson, we can do that. I want to suggest a different course of action, lets suspend the debate and this with this matter in the right matter by allowing the TROIKA to consider it and the programming committee to finalise the agenda on a course of action that must be followed. A court that was meant to dispose of the acting capacities of the Executive Mayor has been finalised. This Council by law, must comply and convene an Ordinary Council meeting. Thank you, Madam Speaker.”

Cllr D Leech commented: “Thank you, Madam Speaker, through you to Acting Council Whip. I don’t think the Speaker was involving herself in party politics but the outcome of that court case might affect the Council. The person who has been taken to court might go to court that he was replaced as the chairperson of MPAC and he has now been reinstated in the party...”

Cllr CL Kruger interjected and uttered that the Cllr D Leech was lying. Cllr D Leech requested that Cllr CL Kruger to withdraw her statement that she was lying, however Cllr CL Kruger refused to withdraw and furthermore claimed that Cllr D Leech was misleading Council.

Cllr D Leech continued: “I am just indicating to you what the effect of the court case is on the Council. If we take a decision here today which is against the Standing Rules and Orders, we will be held responsible.

As my colleague has indicated its safer to vote for an interim as there are court case currently happening. It is safe to say that we can only take part in electing an interim as we would not like to be non-compliant with the Standing Rules and Orders.”

Speaker responded by indicating that she wanted to be pro-active after she consulted with MPAC members to find a way forward.

After Council voted, it was thereupon with 69 votes in favour, 0 against and 4 abstained

RESOLVED

- (a) That the Municipal Council take note of this report.
- (b) The Municipal Council mandate the Speaker to investigate measures to resolve impasse and report back to Council in the next Council meeting.

86.	REPORTS FROM THE AUDIT AND PERFORMANCE COMMITTEE
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1.

AUDIT COMMITTEE REPORT TO COUNCIL COVERING QUARTER 3 OF 2022/23

Ms PME Kaota presented the report to Council as follows: “Thank you, Madam Speaker, we are here to report as per mandated legislation that says we should always perform our functions and come address Council on the developments or the issues that have been dealt with in terms of advising on the deliberations that were had.

I take it that the report has been circulated and read so I will not go through it each page. The first page shows why we are here and why we have to report and we thank the employees of the institutions that are also helping the committee to perform its functions which to date is very functional on issues that are being deliberated on in the meetings. The rest of the pages are showing the issues that were dealt with which are mandatory.

Page 5 shows the meetings that were held, this is a quarter 3 report so the issues that are included here are of quarter 3 and some of the recent ones have not been captured yet. Page 6 reflects the members and the issues that were deliberated on. With that said, I don’t know if the Council would mind if we go to the recommendations precisely because the issues that were deliberated on and the contents are in the annexures. The recommendations are on page 9 which is a summary of the issues that had been dealt with and also highlights of what the Council should also note. Having done the work we considered reports presented by management to Audit Committee which are as follows: to improve the financial position of Municipality

The excessive high level of overtime should be managed better to ensure that it is reduced to acceptable levels.

The Municipality should continue to intensify their debt collection drive to ensure that all monies owed to Municipality are recovered.

Performance evaluation of Municipal Manager and Heads of Departments are still not done and accountability is necessary for non-compliance of requirements of Local Government: Municipal Performance Regulations of 2006. Performance should be assessed on a quarterly basis.

The Committee reiterates its previous recommendation that Council should prioritise and expedite the filling of the vacancies on the municipal manager. The Auditor General findings is also another issues that is reiterated its previous recommendation that the Audit Action Plan should be standing item on Executive Management Team meetings and the Municipal Manager should report on quarterly to both the Committee and Council on progress made to eliminate Auditor General findings and Council should hold Municipal Manager when posts are not being submitted in this regard.

On risk management: the Committee reiterates its previous recommendation that all Head of Departments should have key performance indicators of managing risks within their departments and their performance should be assessed. Implementation of Internal Audit and Audit Committee recommendations – the Committee is concerned about the pace that management is implementing the recommendations of all Internal Audit, the Committee therefore reiterates that management should timeously implement all Internal Audit and Audit Committee recommendations to ensure an improved controlled environment and improved audit outcomes.

In conclusion, this report is submitted to Council in accordance within the provisions of the MFMA and regulations of local government. We thank Council for the opportunity and this will be our last time we report to this Council, we thank you for the experience and wish you all the best.”

Following this submission, the Speaker then excused the Audit Committee members from the Council chambers (at 11h25).

Cllr MW Mongale indicated that it was premature to allow the Audit Committee to leave the meeting, they should be allowed to sit down and the Councillor be allowed to ask them questions as some questions were best suited for them to answer.

Cllr JC Pretorius made the following inputs: “Madam Speaker, firstly, I want to thank the Chairperson and the other members of the Audit Committee for your dedicated work in the committee. Thank you for working to increase accountability, transparency and service delivery in Mangaung.

It remains highly disheartening that service delivery in Mangaung remains to be crippled by the lack of performance management, evaluation and consequence management. The Audit Committee has time-and-time again included in its reports to Council recommendation that proper performance management and evaluation and sound consequence management is critical to turn around the sinking ship that is Mangaung. The question should be asked why Mangaung steers away from the sound and rational recommendations of the Auditor General and the Audit Committee? Why would any caring government steer away from accountability, transparency and service delivery to the people?

Are those on power, albeit by a very small margin, scared of being held accountable, scared of being transparent about their dealings, or have any ulterior motive not wanting to see the people of Mangaung receive the quality services they so desperately long for?

The administration continue to implement the resolutions of the Audit Committee and the Auditor General at a snail's pace. As per the Audit Committee report, management of the Metro is encouraged to approach the AGSA for assistance in formula and implementation of the Audit Auction Plan. I encourage MMM to make use of AGSA and any other available resource to improve the Cities Audit Opinion. If a DA-led government was to take charge of the City, it would be all hands on deck to make use off all available help and resources to steer into a sound financial health. The Auditor General's Report has again confirmed that DA municipalities remain the best performing in the country-spending money on delivering services! The recently released 2022 Municipal Finance Sustainability Index by Ratings Afrika listed the DA-run Saldanha Bay as the best run-municipalities in South Afrika! Number 1 and 21 And the crown jewel of Metros, the DA governed City of Cape Town as the most financially viable Metro in the Country. DA governments proof time and time again that South Africa can be saved in 2024!

I wish to highlight but a few of the Audit Committee resolutions which require urgent attention and that can go a long way in restoring service delivery in the Metro:

1. R406 million in water loses- representing 45% of total water purchased;
2. The installation of bulk water meters on the Bloem Water line to ensure accurate bulk water billing remains unresolved. Curbing the unacceptably high overtime payments and expanding the debt collection drive to improve the financial health of the city;
3. The dire state of the ICT department- position of the Chief Technology Officer has still not been filled and the Metro's computer systems are working on outdated software;
4. High vacancy rate in various departments and critical position remain unfilled: City Manager and HOD's. Non-investigation into irregular and unauthorised expenditure - no one is being held accountable;. Dysfuntionality at Freshco (the Brandwag Social Housing Units) and what actions the Municipality has put in place to remedy the situation?
- 5 . Lack of Risk Management Reports.

The DA Caucus again request the Audit Committee to add grant management to their standing agenda. Every year the Metro forfeits millions of rands on Condition Grant Funding due to lack of proper planning and execution. Again, if the ANC does not want to spend the million on the people of Mangaung, give it to the DA, we will ensure every cent is spent on bettering services, creating opportunities for all.

Seeing that the ANC-administration is not taking to heart the recommendations of the Audit Committee and the AG, it might just be the right time that the leadership of the City of Mangaung take a study tour to any of the 23 DA-run municipalities which received clean audits, too learn best practices and see how to get things done. Kom ek se julle, gaan leer by die beste. The DA supports the recommendations included in the report by the Audlt Committee. These recommendations seek to bring more accountability, stability, transparency and, service delivery to the residents of Mangaung."

Cllr JI Mokoena made the following comments: “In one of the reports that relates to the NCR’s report, it talks about unprovided contingent liabilities of different mergers and the extent to which they threaten the financial position of the Municipality. I am not sure because I have not seen it incorporated in any way in terms of the Audit Committee whether you had access to the Financial Recovery Plan.

The second part is that ICT has become where you just store but it has become an enabler of efficient cost delivery and I am not sure whether we need to find a way where this particular aspect is handed over to a structure or people advisory to City Manager to be able to handle this system in order of accelerating service delivery. Performance and risk management are not part of the HOD’s report and they are very essential.”

Cllr TKW Mokgothu remarked as follows: “I would like to thank the Committee for its services. The services were to ensure the integrity of financial and control and the integrated reporting system, it is our work to ensure that they are supported. As the ANC we would like to emphasise the issue raised by the Committee especially of the performance management. We need to measure if these implementations are really taking place and the report shows clearly that the recommendations made by the Committee come a long way. The issue of consequence management must come to place. As the ANC we thank the Committee and we take it from ourself to implement those recommendations, we welcome the report.”

Cllr M Thompson made the following inputs: “It is no secret that MMM is facing many challenges including; negative audit outcomes, corruption, weak performance management, lack of legal compliance, irregular expenditure and this report proves this. I would like to address the 3rd quarter report that highlights a net loss of R8,72 million in MMM, it is with great concern that we have to acknowledge the current financial state of our Municipality. The liability exceed assets at R4,85 million, water losses amounting to R4 million, labour difficulties leading to vacancies in key positions, supply payments exceeding 160 days, debt to the water board of R5,6 million and overspending on overtime R54,6 million, maladministration, underspending of budgets. The appointed officials are not being held accountable for the ongoing poor service delivery. The gravity of this situation cannot be underestimated, the FFPlus believes that it is time for everyone in this Council to take responsibility for the current state of Municipality.

We need to ask ourselves what can we do to address these issues and improve the quality for our residents. The issue of water loss is unacceptable as we are in scarcity of water state in our Country and every drop counts. We need to take decisive action to prevent further loss, we must work towards aligning our finances and ensure that every penny spent is accounted for. The report also highlights difficulties vacancies in key positions, this has a direct impact on service delivery, the FFPlus calls for urgent intervention to attract and retain skilled personnel in critical positions. In addition of supply payment exceeding 160 days is of concern as it affects the cash flow of small business, we need corrective actions. The overspending of R54,6 million on overtime is reprehensible and should be investigated, this kind of financial irresponsibility and those responsible should be held responsible. In conclusion, the FFPlus calls for a systematic overhaul of financial management systems in MMM, we need transparency to address the issues raised in the report. It is time to work together and find solutions that will benefit the community.”

Cllr GDP Kotze addressed the Council as follows: “I want to start with a question, why is it important to have information technology government? It’s because they enable organisations to manage their IT risks and ensure that activities associated with the IT are aligned with the overall business objectives but the MMM does not care for good IT governance because if you want to corrupt you can just manipulate the system I will prove it to you, this is the 5th year that the IT department of Mangaung is without a Chief Technology officer and that position is very critical because they keep everything together.

The Acting CEO has identified 74 laptops that still run on windows 7, Microsoft support for windows 7 has stopped but more concern is that there are still PC’s running on windows 8 and that support also stopped. The MMM IT system is a nightmare because the system has expired but we are still paying a license fee and the residents are wondering why they are not getting help. We also have a customer relations management software and they refused to use this system, communication is important. I wonder if our communications manager is here and is listening to this, if we don’t communicate then everything fails. We need a Chief Technical Officer. Democracy in SA is under threat and in MMM, it has become a ponzi scheme for the ANC.”

Cllr JE Sebolao stated the following: “Let me welcome the report and say as the EFF, job well done. We applaud the work done by Audit Committee. Unfortunately the work done by audit committee fell on deaf ears because this is not the first time they report to the August house and we don’t listen. The work done by this Committee will not be recognised. Consequence management in MMM is a problem, that is why to date we don’t see the hawks come here to arrest officials who are not doing their work. We are not serving our people, this Municipality will accept this report. The EFF wants to take this report to thank the Committee. Audit Committee does not say anything about companies owed millions by the Municipality, we all know that companies are supposed to be paid within 30 days. The president emphasized that companies must be paid, in this Municipality, to ensure that you get paid, you must bribe someone. One of the directors once said that he went to an official that who stated that invoices will not be paid until they pay. Lastly ke rata hore to the Audit Committee re lebogile, tsamayang sentle.”

Cllr BL Mathae made the following remarks: “Let me also welcome and appreciate report of the Committee. Most of the issues I wanted to bring to attention of this Council have been canvassed by speakers that spoke before. All is not doom and gloom, the report points to a few issue that ought to receive our attention, I am more alive to the comments made by Audit Committee on the financial position, there is opinion canvassed particularly on the Annual Financial Statement of the Metro as well as the entity Centlec, the annual audit opinion of the AG. As far as our Financial Annual Statements, we are not doing bad and the audit outcome points a very bleak picture. I am saying all is not lost and we are right on track. We have not been able to redo our valuation roll over the past decade or so.”

It was thereupon, *unanimously*

RESOLVED that the report is submitted to Council in accordance with provisions of MFMA Section 166(2) and Regulation 14(4) of the Local Government Municipal Planning and Performance Management Regulations of 2001 for consideration and approval.

87.	REPORTS FROM THE MPAC
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None.

NOTED.

88.	IN COMMITTEE REPORTS
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1.

REPORT OF THE SPEAKER TO THE COUNCIL OF MANGAUNG METROPOLITAN MUNICIPALITY ON THE APPOINTMENT OF AUDIT AND PERFORMANCE COMMITTEE MEMBERS

The Speaker requested officials and guests to be excused from the meeting as the item would be dealt with In Committee.

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

WITHDRAWN

89.	CLOSING OF THE SPECIAL COUNCIL MEETING
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The meeting officially closed at 14h15.

SECRETARIAT UNIT
COMMITTEE SERVICES