

CONFIDENTIAL

**MINUTES
of a
SPECIAL MEETING**

**MANGAUNG
METROPOLITAN
MUNICIPAL COUNCIL**

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

**TUESDAY
MAY 2, 2023
AT 14:00**

**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
TUESDAY, MAY 2, 2023
at 10:00**

ATTENDANCE REGISTER

POLITICAL LEADERSHIP			
#	NAME	PARTY	LEAVE
1	<u>Speaker</u> Cllr Davies (Maryke)	DA	
2	<u>Acting Executive Mayor</u> Cllr Nthatisi (Gregory Mosala Solomon)	ANC	
3	<u>Acting Council Whip</u> Cllr Nikelo (Vumile Edwin)	ANC 28	
SECTION 79 CHAIRPERSONS			
4	Cllr Nhlapo (Ntombi Anna)	ANC	
5	Cllr Qai (Alfred)	AIC	
6	Cllr Mokgothu (Tona Kenosi Wilfred)	ANC Ward 2	
PR COUNCILLORS			
7	Cllr Campher (Zaandre MC)	DA	
8	Cllr De-Huis (Dikeledi Jane)	EFF	
9	Cllr De Kock (Valerie Belinda)	FFPlus	
10	Cllr Denner (John Henry)	FFPlus	
11	Cllr Dennis (Magdalena Elizabeth)	DA	
12	Cllr Ferreira (Thomas Ignatius)	DA	
13	Cllr Jonas (Vuyelwa Eunice)	ANC	
14	Cllr Klaasen Raynie Sarah	DA	
15	Cllr Letawana (Manthuse Maria)	ANC	
16	Cllr Letsoko (Mantwa Sanah)	EFF	

PR COUNCILLORS			
#	NAME	PARTY	LEAVE
17	Cllr Lipale (Gopolang Jeremiah)	EFF	
18	Cllr Makau (Pitso Elias)	EFF	Absent with leave
19	Cllr Malebo (Deliwe Lettia)	EFF	Absent with leave
20	Cllr Maliela (Motiki Edwin)	DA	
21	Cllr Mathae (Bongani Lawrence)	ANC	
22	Cllr Masoeu (Thapelo David)	DA	
23	Cllr Matsoetlane (Maditaba Joyce)	ANC	
24	Cllr Mogotsi (Mamahlope Elisa)	EFF	Absent with leave
25	Cllr Mohlamme (Lebohlang Lerato)	DA	
26	Cllr Mokoena (John Itumeleng)	AASD	Absent with leave
27	Cllr Mongale (Mojalefa William)	AASD	
28	Cllr Morake (Molefi Andries)	ANC	
29	Cllr Moreeng (Kabelo Christopher)	DA	
30	Cllr Mtshakazane (Eunice Xoliswa)	EFF	Absent with leave
31	Cllr Njiva-Lebajoa (Mamotse)	DA	
32	Cllr Phohleli (Tsholwane Eddy)	EFF	Absent with leave
33	Cllr Phupha (Ntsoaki Agnes)	PA	
34	Cllr Ramatlama (Mpho Joseph)	EFF	Absent with leave
35	Cllr Rampai (Pule Joseph)	ACDP	
36	Cllr Rasoou (Lempe Ernest)	DA	
37	Cllr Sebolao (Jankie Elisha)	EFF	Absent with leave
38	Cllr Shale (Nkahiseng Reginah)	EFF	Absent with leave
39	Cllr Snyman van Deventer (Elizabeth)	FFPlus	
40	Cllr Soqaga (Vusumzi Simon)	ANC	
41	Cllr Terblanche (Arthur Phillip)	DA	Absent with leave

42	Cllr Thomas (Johannes Beleme)	EFF	Absent with leave
43	Cllr Thompson (Mare-Lize)	FFPlus	Absent with leave
44	Cllr Thwala (Zwelinjane Jonathan)	DA	
45	Cllr Titi-Odili (Lulama Magdeline)	ANC	
46	Cllr Tladi (Motshewa Martha)	ANC	
47	Cllr Tsoleli (Sibongile Pearm)	ANC	
48	Cllr Twala (Pani Sidney)	ATM	
49	Cllr van der Ross (Kevin Etienne)	PA	
50	Cllr van Rensburg (Corize)	DA	
51	Cllr Viviers (Benhardus Jacobus)	DA	
52	Cllr Vorster (Braam)	FFPlus	Absent with leave
WARD COUNCILLORS			
53	Cllr Sefaki (Samuel)	ANC 1	
54	Cllr Mokgothu (Tona Kenosi Wilfred)	ANC 2	
55	Cllr Machachamise (Tshepiso Oudious)	ANC 3	
56	Cllr Supi (Mahoko Harold)	ANC 4	
57	Cllr Lecoko (Lehlohonolo Nathaniel)	ANC 5	
58	Cllr Moilola (Tshidiso Petrus)	ANC 6	
59	Cllr Nyaphudi (Likeleli Julia)	ANC 8	
60	Cllr Tlhakung (Betty Masetlhabi)	ANC 9	
61	Cllr Setlai (Teboho Lesley)	ANC 10	
62	Cllr Hashatsi (Rafedile)	ANC 12	
63	Cllr Siteo (Nombulelo Dorcas)	ANC 13	
64	Cllr Lekgetho (Lebogang Winston)	ANC 14	
65	Cllr Mohibidu (Pulane Martha)	ANC 15	

66	Cllr Kruger (Caprice Logan)	ANC 16	
67	Cllr Mohatle (Mampone Sally)	ANC 17	
68	Cllr McKay (David Mark Campbell)	DA 18	
69	Cllr Peter (Seth Qondile)	ANC 19	
70	Cllr Pretorius (Werner)	DA 20	
71	Cllr Lotriet (Pieter Adam)	DA 21	
72	Cllr Leech (Dulandi)	DA 22	
73	Cllr van der Walt (Tjaart Botha)	DA 23	
74	Cllr Kotze (Gerhardus Dirk Petrus)	DA 24	Absent with leave
75	Cllr Botes (Francois Rossouw)	DA 25	
76	Cllr van Niekerk (Hendrik Johannes Christiaan)	DA 26	
77	Cllr Banyane (Zachous Nechodemus)	ANC 27	
78	Cllr Nikelo (Vumile Edwin)	ANC 28	
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	Absent with leave
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. Service Delivery Specialist

Ms G Malaza
Mr M Nkosi
Mr E Ngomane

OFFICIALS

1. Acting City Manager
2. Acting HoD: Corporate Services
3. Acting HoD: Waste and Fleet Management
4. Acting HoD: Social Services and Public Safety
5. Acting Chief Financial Officer
6. Chief Executive Officer: Centlec
7. GM: Committee Services
8. Secretariat officer
9. Secretariat Officer

Mr Ms NR Dumalisile
Adv N Mpangane
Mr F Nel
Ms MA Mafisa
Mr SJJ Van Zyl
Mr M Sekoboto
Mr Motete Mothekhe
Ms R Mamatela
Ms M Morakabi

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).
3. **Name-plates:** Councillors are friendly requested to please take along their name-plates and to display it throughout the meeting.
4. **Apologies during the course of the Council meeting:** Councillors are friendly requested to complete in full and submit the relevant apology form for this purpose (Yellow Form).
5. **Code of Conduct:** Councillors are reminded of item 3, Schedule 1 of the Code of Conduct for Councillors which reads as follows, namely:

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

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

6. Meeting rules:

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

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**MINUTES
(OPEN COUNCIL)**

67.

OPENING

(MOMENT OF SILENT CONTEMPLATION FOR MEDITATION AND PRAYERS)

The meeting commenced at 10h02.

The Speaker confirmed that 60 Councillors were present in the meeting and then allowed a moment of silence for meditation and prayers.

NOTED.

68.

NOTICE OF THE MEETING

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

NOTED.

69.

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.

70.

ACCEPTANCE OF THE AGENDA

Councillor TD Masoeu moved for the adoption of the agenda and was seconded by Councillor DMC McKay.

Cllr MW Mongale remarked: “Madam Speaker, we need another an item on the agenda that has been missing for the past year, since the National Intervention came in. The item that stipulates the process on how the National Intervention Team is going to intervene with regards to the mandatory Financial Recovery Plan (FRP), where is the plan? The plan that is going to assist us to be able to assess whether the people of the national intervention that are here, are they performing or are they on holiday, and the only way for them to see that is when there is a plan. I’m not making a joke I can see the NCR is laughing, we are live on Facebook we want the people of Mangaung to know that we are not allowing people to come to Mangaung on a holiday, even if we know that is it the holiday destination, but that is not the reason why they are here.

5A

Now, we are saying the financial recovery plan should accompany the budget and IDP, because it is the one that is going to tell us whether the presence of all this national intervention team is it yielding the fruits or not, it must be here that plan. It is part of the gazetted terms of reference, I think anyone that differs with me they must read the terms of reference that has been given by the Minister Enoch Godongwana, because they are very clear that there must be a mandatory Financial Recovery Plan where is the plan? I need it in the agenda. I am making that submission on behalf of the people of Mangaung and anyone that rejects it, the people of Mangaung will know his rejecting that they be assisted with regard to issues of service delivery, because it talks to the heart of it all.”

Cllr LM Titi-Odili reaffirmed that the agenda was already adopted therefore Councillor MW Mongale must make his request through the office of the Speaker so that the item can be included in the agenda.

Cllr BJ Viviers referred to Rule 8 of the Standing Rules and Orders, that the Council can add an urgent matter in the agenda if needs be and have to be seconded and in addition, disagreed with Councillor LM Titi-Odili indicating that the question posed by Councillor MW Mongale is irrelevant.

On a point of order Cllr MM Tladi confirmed that Mangaung indeed have FRP, and that the only part that was lacking was the implementation thereof.

The Speaker reiterated that the agenda has already been adopted, the item raised will be dealt with in the next meeting.

NOTED.

71.

ANNOUNCEMENTS

The Speaker made the following remarks:

- 1. She referred to Conduct at meetings and read the following Rules in terms of the Standing Rules and Orders of Council Rule 9 and furthermore Rule 13.3 (on decision and voting), Rule 35.1 and 35.2 (Disorderly conduct of Councillor and the duty of the Chairperson), and the Municipal Systems Act, Schedule 1 on Code of Conduct for Councillors.**
- 2. She further clarify what it meant to raise a “Points of order” in terms of the definition and Rule 37 of the Standing Rules and Orders**

NOTED.

The Executive Mayor tabled his items as follows:

**“Madam Speaker, Cllr Maryke Davies
Acting Chief Whip, Cllr Vumile Nikelo
Chairpersons of Section 79 Committees
Fellow Councillors
Traditional leaders
Acting Municipal Manager, Ms. Ngaka Dumalisile
Members of the National Administration Team
Municipal Officials
Members of Ward Committees
The Media
Ladies and gentlemen**

Madam Speaker, as alluded by President Thabo Mbeki; *“South Africa is alive with possibilities”*. The advent of democracy saw our people from all walks of life, black and white, converging to provide solutions to challenges political legitimacy around issues of racial divisions, religious conflicts, hunger, starvation and malnutrition and all kind of debilitating from time immemorial, that have been facing the international bodies such as the United Nations, African Union, the Commonwealth, International Criminal Court (ICC) and others.

Without the intervention of those international bodies, nations and governments that continue to dominate the socio-economic and political sphere, we became the architects of our own destiny. As a local sphere of government, we remain the pioneers of realizing this dream of a united, democratic and prosperous Country, we dare not fail our historic mission.

For almost half a decade now, since 2018, we, the people of Mangaung, surrendered the autonomy that our Constitution safeguards. On the contrary, it is also by the means of the very Constitution that our vulnerability was taken care of. This was done by placing us under national intervention in terms of section 139(7) of the Constitution read with Section 150 of the Municipal Finance Management Act (MFMA).

During these perilous times we lost our identity in the sight of the nations of the world, particularly within the local government fraternity. But now we are back to reclaiming our glory. The time of working on the catch-up mode is over. For quite some time we tip-toed away from tackling the bull of poor institutional capacity by its horns. Together we must improve and implement effectively, the current financial recovery plan and find more reasons why it has been so difficult to it implement successfully.

Our primary focus should be on the intensification of efforts to fast-track increased levels of revenue collection, reduce expenditure, increase, and diversify additional revenue streams and attend to the management of surplus, cash, and its equivalents.

Working closely with the National Administration Team, our Municipal Public Accounts Committee (MPAC) must assist us with the effective implementation of the financial recovery plan.

For even this tabling, we had to make a special plea with the Provincial Treasury for deferment of compliance with Section 16 of the MFMA for the change of the finalisation date of the 2023/26 Medium Term Revenue and Expenditure Framework (MTREF) Annual Budget.

But finally, we are tabling the 2023/24 – 2025/26 Medium Term Expenditure Framework (MTREF) budget, though against few other pressures. The most stubborn strain is the cardinal pressure stemming from our current fiscal state. Contributing factors in the context includes our revenue projections that have been sharply reduced and spending pressures which continue to mount. This has impacted negatively on service delivery.

In the recent past we were facing increasing social discontent and political instability. There could be no stability in Mangaung without the centrality of both the TROIKA and Executive Management Team (EMT). If we are not going to invest more in bolstering the effectiveness of the governance structures of the Council, we will never realise stability any time soon. As is the case with the COVID-19 pandemic and climate change crises, this recession has deepened the fragility and instability of many nation-states, especially local government.

Fellow Councillors, this Budget is tabled at the time when government continues to confront a challenging economic environment. Our situation is worsened by global recession which is considered the longest since the Great Depression (1929-1939).

In this regard, Madam Speaker, as we go to the public for further consultations, we need to take drastic measures against debtors who are not registered as indigents. We must act as a matter of urgency. Our debtor's balance as of 28 February 2023 is **R9,53 billion**. Imagine this situation if about 79% of our capital budget was not made up of grants or subsidies.

As prescribed by the Municipal Staff Regulations, the Macro-Organisational Structure of the Municipality was reviewed to adhere to those requirements. Subsequently, on the 7th of November 2022, Council approved the new Macro-Organisational Structure. In accordance with this structure, the recruitment and appointment of senior managers including City Manager is at an advanced stage.

Meanwhile, the recent audit opinion stemming from recurring audit queries involving failure to provide sufficient supporting documentation and non-compliance issues, calls for immediate attention by the Council.

Medium Term Revenue and Expenditure Framework

Madam Speaker, allow me to provide a budget summary for the next MTREF. Our total revenue budget for the MTREF budget is projected at **R9,30 billion** in 2023/24 excluding capital grants (**R8,53 billion** in 2022/23), representing an increase in revenue of **R768,18 million** (8,88%) on the 2022/23 adjustment budget. The projection for the outer two years of the MTREF period is **R9,92 billion** and **R10,59 billion** respectively.

The operating budget expenditure increased from the adjustment budget amount of **R7,98 billion** in 2022/23 to a new budget amount of **R 8,70 billion** in 2023/24 representing an increase of **R714,39 million** (8.82%). The projection for the outer two years of the MTREF period is **R9,17 billion** and **R9,64 billion** respectively.

6B

Fellow Councillors, our capital budget for the 2023/24 financial year is set at **R1,20 billion** which is a decrease of **R108,64 million (8.30%)** as compared to the 2022/23 adjustment budget of **R1,31 billion**. The capital budget for the two outer years of the Medium Term Revenue and Expenditure Framework (MTREF) period has been set at **R1,23 billion** and **R1,30 billion** respectively.

Tariffs

Madam Speaker, informed by the current state of the economy, we envisage to maintain the new tariff increases as low as possible. For the financial year 2023/24, the **Property Rates** increase by **5.72%**. Prior to the average increase, we took into consideration a few critical factors including: the average increase of the rates tariff by 5.30%.

Electricity tariff is set to increase by **4.70%**. The electricity revenue is projected at **R3,58 billion** in 2023/24 (**R3,32 billion** in the 2022/23 adjustment budget) representing an increase of **R265,28 million (7.99%)** on the 2022/23 adjustment budget. The projection for the outer two years of the MTREF period is **R3,75 billion** and **R3,92 billion** respectively.

In the current financial year, **water services revenue** is set to increase by **15.20%**. The tariff in monetary terms is projected at **R1,31 billion** in 2023/24 (**R1,14 billion** in the prior year) representing an increase of **R172,63 million (15.20%)** on the 2022/23 adjustment budget. The projection for the outer two years of the Medium Term Revenue and Expenditure Framework (MTREF) period is **R1,37 billion** and **R1,45 billion** respectively. The average water tariffs will increase by **9.00%** while considerations of zero-based budgeting and growth of the City was considered.

Fellow citizens, this budget further addresses critical governance issues identified by the Council as key priorities. These include employees related costs. It has now become a norm to expect sporadic labour unrests ensuing on-and-after Municipal payday. This is due to overtime which we have not managed properly in the past. Hence, we have set aside **R134,8 million** for the filling of critical vacancies, specifically to reduce overtime.

In filling vacancies, we will not compromise appointing qualified individuals, especially appointments at senior and middle management levels. Internal processes are also at the advanced stage to finalise the appointment of political staff. We are deeply sorry for the pain that the affected Councillors and staff had to endure.

The salaries and wages budget increase by **11.10% (R 249,09 million)** based on the 2022/23 adjustment budget amount of **R2,24 billion** to a new amount of **R2,49 billion** in the current financial year. The high increase is due to the reduction of the vacancies in the adjustment budget that did not materialise. If that impact is considered the increase would only be **7,74%**.

Other priorities of the Council include:

- Expanded Public Works Programme (EPWP) and PEP (Presidential Employment Programme) employment – **R23 million**;
- Sustainable refuse removal solutions reserved for SMMEs (Door to door refuse collection, litter picking and street cleaning) – **R21,7 million**;

6C

- Maintenance focusing mainly on the potholes, re-graveling of streets and cleaning of stormwater channels – **R37,2 million**;
- Upgrading of roads including resealing – **R78 million**;
- Unblocking and maintenance of sewer reticulation infrastructure including emptying of pit latrines – **R62 million**;
- Sewer infrastructure – **R77,8 million**;
- Address water leakages and losses – **R84,7 million**;
- Upgrading of Water Infrastructure – **R140,1 million**;
- Prepaid and bulk water meters – **R22,2 million**;
- Maintenance of Electricity Infrastructure – **R167,3 million**;
- Electricity Infrastructure – **R240,9 million**;
- Effective Fleet Management solutions – **R51,2 million**;
- Maintenance of vehicles – **R18,2 million**;
- ESKOM and Bloemwater bulk account – **R3,11 billion**;
- Upgrading, maintenance and management of IPTN (Hauweng) infrastructure – **R270 million**
- Improve revenue collection and enhancement strategies (including valuation roll) – **R23,4 million**;
- Vista Park Development – **R59,1 million**;
- Renovations and repair of municipal facilities – **R32,9 million**;
- Upgrading of informal settlements (excluding acquisition of land) – **R277,3 million**;
- Maintenance of parks, entrances, and felling of trees reserved for local SMMEs – **R4 million**;
- Town planning, land and availability of sites – **R39,7 million**;
- Economic and rural development initiatives – **R 31,5 million**;
- Upgrading of ICT systems and refurbishment of buildings – **R21,5 million**;
- Loan repayments – R161,8 million

Operating Expenditure Budget

The operating budget expenditure increased from the adjustment budget amount of **R7,98 billion in 2022/23** to a new budget amount of **R8,70 billion in 2023/24** representing an increase of **R714,39 million (8.82%)**. The projection for the outer two years of the MTREF period is **R9,17 billion and R9,64 billion** respectively.

Fellow Councillors, the budget amount for debt impairment, increases by **R253,30 million (22,51%)** from the 2022/23 adjustment budget allocation of **R1,13 billion** to a new amount of **R1,38 billion**. The indicative budget for the two outer years of the MTREF period is **R1,46 billion** and **R1,55 billion** respectively. Included under Debt Impairment is a provision for the expected consolidated collection rate of **82%**.

The budgeted depreciation amount is **R382,45 million for 2023/24** (Adjustment Budget **2022/23 R347,00 million**). The provision is showing an increase of **R35,45 million (10,22%)** for the 2023/24 budget year.

Bulk Purchases

Fellow Councillors, regarding the bulk purchases: electricity increased by **4.70% (R98,76 million)** against the 2022/23 Adjustment Budget amount of **R2,10 billion**, to the proposed new amount of **R2,20 billion** for the 2023/24 budget year.

6D

The allocation for the two outer years of the Medium Term Revenue and Expenditure Framework period is **R2,30 billion and R2,41 billion** respectively.

Bulk water purchases (Inventory consumed considered together with Other Losses) increased by **2.26% (R20,10 million)** against the 2022/23 adjustment budget amount of **R890,00 million**, to the proposed amount of **R910,10 million** for the 2023/24 budget year. The allocation for the two outer years of the MTREF period is **R997,41 million and R1,09 billion** respectively.

Bulk purchases take up approximately **34.15%** of the operating budget for 2023/24.

Inventory consumed (Consumables, Materials and Supplies, etc.) budget decreased by **14,89% (R16,46 million)** against the 2022/23 adjustment budget amount of **R110,58 million**, to the proposed amount of **R94,12 million** for the 2023/24 budget year. The allocation for the two outer years of the MTREF period is **R96,81 million and R101,01 million** respectively.

Contracted Services

Fellow Councillors, contracted services budget increased by **R63,87 million (9.72%)** from the approved adjustment budget allocation of **R656,87 million** in 2022/23 to a new allocation of **R720,74 million**. The allocation for the two outer years of the MTREF period is **R744,65 million and R741,19 million** respectively.

Included in the cost of contracted services are the cost of identified repairs and maintenance linked to each element of the expense category. The cost of repairs and maintenance is projected at **R603,83 million** for 2023/24 budget year and for the two outer years of the MTREF period the costs are projected at **R627,18 million and R656,61 million** respectively.

Transfers and Grants

Madam Speaker, transfers and subsidies budget increased from the appropriated Adjustment Budget of **R409,173** in 2022/23 to an amount of **R1,84 million** in 2023/24. The allocation for the two outer years of the MTREF period is **R1,96 million and R2,08 million** respectively.

Capital budget

Fellow Councillors, the capital budget for the 2023/24 financial year is set at **R1,20 billion (a decrease of R108,64 million (8.30%))** as compared to the 2022/23 adjustment budget of **R1,31 billion**). The capital budget for the two outer years of the MTREF period has been set at **R1,23 billion and R1,30 billion** respectively.

The budget will be funded out of Government Grants and subsidies and internally generated funds (own funding) as funding sources. Government grants contribution to the Metro's capital budget will be reduced by **R155,61 million (14.07%) to R950,58 million in 2023/24**, from adjustment budget amount of **R1,11 billion** in the 2022/23 budget year. The projection for the two outer years of the MTREF period is **R971,56 million and R1,02 billion** respectively.

Fellow Councillors, our dependence on the National Government through grants and subsidies is good but not worth celebrating. We must build requisite internal capacity to raise and rely on our own generated revenue.

6E

The major grants being the Urban Settlement Development Grant (USDG), Informal Settlements Upgrading Partnership Grant (ISUPG) and Public Transport Network Grant (PTNG).

The USDG is provided directly to accredited or high-capacity metros and municipalities by means of a DORA transfer for infrastructure development to support the upgrading of informal settlements and increase the provision of serviced land in metropolitan municipalities. This grant enables us to create sustainable and integrated human settlements.

The City has been allocated **R507,43 million** in the 2023/24 financial year, and **R530,23 million and R554,00 million** in the two outer years. The following outputs should be funded by the grant to support the improvement of the overall built environment.

Madam Speaker, regarding the **Informal Settlement Upgrading Partnership Grant (ISUPG)**, allocation of **R277,34 million** in the 2023/24 financial year has been made available, intended to serve as a planning and preparation platform towards the Informal Settlement Upgrading Partnership grant. Previously this grant was included in the USDG and ringfenced for informal settlement.

Amongst other critical grants through which we were funded, is the **Integrated Public Transport Network Grant (IPTN)**. The City has been allocated **R165,80 million** in the 2023/24 financial year, and **R151,53 million and R166,89 million** in the two outer years.

Included in the capital budget are projects to the amount of **R 303,42 million** for the 2023/24 year funded through own funds. The allocation of the two MTREF period outer years is **R313,35 million and R323,70 million** respectively.

As I conclude fellow Councillors, we are turning over a new leaf to resuscitate our infinite hope in discovering the original intent, which is all about the provision of a democratic and accountable government for the people of Mangaung. It is this very hope that illuminates the horizon of a better life for all. We might have tarried a bit, but we will soon be there.

For we are inspired by the father our democracy, Former State President Dr. Nelson Mandela who ***"...could not imagine that the future [he] was walking toward could compare in any way to the past that [he] was leaving behind."***

Likewise, the current dire state of our City, involving being placed under mandatory national intervention, political and administrative instability including poor service delivery, cannot be compared to the glorious future ahead of us.

Section 153 of the Constitution challenges us to execute our developmental duties by structuring and managing our administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community.

Our calling is to ensure this legislative prescript becomes a reality in Mangaung.

On that note Madam Speaker, it is therefore my singular and great pleasure to table the 2023/24–2025/26 Medium Term Expenditure Framework (MTREF) Budget, budget related policies, Tariffs and the IDP *for noting*, as we make provision for more consultations over the next three weeks. As said by President Thabo Mbeki South Africa is alive with possibilities. I thank you, Madam Speaker.”

NOTED.

**1.
TABLING OF THE MANGAUNG METROPOLITAN MUNICIPALITY’S DRAFT REVIEWED INTEGRATED DEVELOPMENT PLAN (IDP) AS WELL AS DRAFTS SECTORAL PLANS (2023 – 2024) AND DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2023/2024 FOR NOTING**

As these two items were discussed simultaneously, Councillors were allowed to draw items for discussion and addressed the Council as follows:

Councillor MW Mongale: “This is clarity seeking questions. Madam Speaker, we raised an issue on the IDP in the last financial year and we were promised that the matter will be given attention. The Mangaung tariffs matter was also raised that they needed to be reviewed. A suggestion was proffered that all parties can make a contribution on what can be done with regards to the tariffs.

The FRESHCO flats keeps on disappearing in the documents, however we need clarity, maybe the matter has been dealt with, once they we have been briefed about it can, then the matter can be closed as consequence management would have taken place.

When IPTN first began, it was called the BRT, afterwards it was called Hauweng when it was launched, today in the document it is no longer called Hauweng. I thought the Acting Executive Mayor will press hard on the issue of Provincial debt, as it is known that the Province and National owes the Municipality large amounts of money.”

Cllr DMC McKay: “Madam Speaker, Through you to the Acting Executive Mayor, firstly Sir congratulations on your interim election success or should I say condolences? As you have inherited a Metro that is on the brink of a tax-revolt or Mangaung- Arab Spring’

Sir, as you are well aware, this is a extremely important item and the document presented needs in-depth scrutiny, to both assist and ensure that they prescribed to the benefit of all Mangaung residents. It is with this in mind Sir, that on behalf of the DA, I ask the following clarity seeking questions to ensure that these draft reviewed IDP, Sectoral Plans and SDBIP tabled today are indeed reflective of the aforementioned:

- 1) Will the venues and dates for the public participation as prescribed by legislation, go out within the ensuing fortnight, which will ensure that you have enough time to review the public inputs and to make the necessary amendments that are indeed feasible as requested and/ or proposed?

6G

- 2) Will this document serve in-front of the relevant Section 80 Committee as prescribed by legislation, by the end of this week for pre-empted suggestion by Councillors and then again immediately after the conclusion of the public participation for final amendments, as this will ensure a smooth flow and approval of the final reviewed IDP, Sectoral Plans and SDIP when tabled for approval in Council?
- 3) Sir, the value of integrated development planning for municipalities lies in the formulation of focused plans, based on developmental priorities. It is essential to spend the limited council resource in the key development priorities of the local community. This is the essence of the IDP; how to align the projects, plans, budgets and other council resource with the sustainable development priorities of the community. I trust you agree?

Therefore Sir, on behalf of the DA I would like to know how a loss or possible shortfall of R400 million plus, due to water leaks and illegal connections (As seen during the book year 2021/2022) will be recuperated by increasing the budget by a 15,2% when inflation is at 7,1% whilst still covering the current outstanding Bloemwater bill and current monthly account?

That said, surely it would make more sense to fully equip the water department with 16 bakkies and support material so they can fix the leaks and attend to the illegal connections timeously. This at a fraction of the cost of the current losses. Let's not be penny wise and pound foolish, plus we can then save the residents an unnecessary increase in tariffs 45% of the income would be used to pay for water losses.

I close this question with this quote from Winston Churchill, "*I contend that for a nation to try to tax itself into prosperity is like a man standing in bucket and trying to lift himself up by the handle.*" I look forward to your answer on these clarity seeking questions. Thank you, Madam Speaker."

Cllr VE De Kock: Madam Speaker, Fellow Councillors, and other protocol observed.

The City's Vision is stated in the report as: I quote; "... *globally safe and attractive to live, work and invest in*". A vision that is thus far just that, a vision. With overgrown parks and cemeteries, without visible policing hardly any suburb in Mangaung is safe, here is hardly anything attractive in Mangaung. A once beautiful project such as the Vereeniging extension has also now gone to waste, dilapidated infrastructure such as roads, stormwater, sewer, and water makes it very unlikely that investors will be attracted to Mangaung.

These draft reports tabled today shows very little progress or changes. It seems to be the same copy and paste process that was followed yet again. Not the Provincial nor the National Intervention assisted this Metro in any means to develop a Financial Recovery Plan that can assist in the IDP process, turn around the budget and improve the SDBIP. The only report that showed some real changes is the IDP, and that is not contributed to by the Intervention team, but the new staff in the IDP office, which is very understaffed. Other Metros have as many as 20 staff members in their IDP offices, we have two? The entire report shows that all departments are understaffed. I do challenge the power-hungry ANC to appoint the new City Manager on the lowest prescribed salary scale, which would allow for remuneration allocations to other much needed appointments.

6H

The SDBIP serves as a contract between administration, Council, and the community, expressing the goals and objectives set by the Council as quantifiable measurable targets that can be implemented by administration in the 2022/2023 financial year. It provides the link between the Executive Mayor, Council and Administration, and should facilitate accountability.

We have some questions on the reports:

- The Rehabilitation of the Arthur Nathan swimming pool is still in the SDBIP: According to last year's report the SCM process were (supposed to be) completed by December 2021 and by March 2022 the appointed Contractors were supposed to be busy with construction. *Who are these Contractors, why didn't work start yet, what work will be done and were the necessary permissions obtained from the Heritage Council?*
- Environmental by-laws (and all other by-laws): all these by-laws keep the residents accountable should they not adhere to the rules set herein. *What keeps the Municipality accountable should they not keep their end of the bargain?*
- Last year in March, I congratulated all relevant departments and companies for a very beautiful Vereeniging avenue extension bridge and roads. I take back my words, a year later and the road is still not in use – our residents must ride detours on potholed roads covered with patches of tar. *When will this project see completion and when will our residents be able to use the road?*
- The Indigency Register. *When will all residents that was approved for indigency last year already see the benefits of this program applied to their accounts?*

I can go on with more examples, but once again we as Council are forced to serve as a rubber stamp, noting and approving reports that does not speak to all the needs of our rate paying residents.

- We are excited to see in the IDP that the City has a draft Integrated Waste Management Plan and also that there are planned for the procurement of fleet and that maintenance of fleet eventually reflects in the draft budget. We do hope that this will not remain a "Nice on paper plan" A plan is only a workable plan when it can be evaluated on implementation and execution.

We would have liked to comment and ask questions on many more aspects of these reports, but it is very difficult to work from a computer screen all the time scrolling in-between three reports consisting of almost 700 pages. We do appreciate the gesture to save on paper and printing costs, but can we please request that each party at least get one printed copy of each report in future?

We as the FF Plus take note of these reports, but it doesn't imply that we approve all the content thereof. Thank you Madam Speaker."

Councillor MT Mosala: "Thank You, Honourable Speaker. Let me start by quoting Voe Jackson when he said "*set your goals high and don't skip till you get there*".

Madam Speaker, IDP is one of the most important tool posed apartheid South Africa and it remains the principal strategic planning instrument which guides and informs all planning and development and all decisions with regards to planning management and development in the municipality.

The IDP planning process has five phases which are as follows:

1. Analysis,
2. Strategy,
3. Project,
4. Integration and
5. Approval.

The IDP presented by the Acting Executive Mayor covers all the phases and it is against this background, that I support, second and note the IDP tabled by the Executive Mayor. Thank you, Madam Speaker.”

Councillor M Kganakga: “Thank you, Madam Speaker. Just a few clarity seeking questions:

1. What is the rationale of having all of these document as attachments when all of them contradict the draft IDP? The climate change document is so old, if it were a child it would be in grade 3. Nothing presented here is in unison.
2. The 10 year water conservation and demand strategy now on its 5th revision. How much does this document the taxpayer pay Bigen African Service to compile and update a document never implemented.
3. Water losses being the greatest losses in Mangaung in a water scares Country South is a Africa’s 30th driest Country in the world what is the plan with:
 - Unbilled meter consumption
 - Unbilled unmetered consumption
 - Double billing and inaccurate billing
 - Unbilled authorised consumption
 - Leak of water in transmission

Do we have accurate data on how many kites lost our own pipelines that Bloemwater and who is paying for what?

4. Do you Executive Mayor, know that we are busy deceiving our communities making them buy new pre-paid water meter devices cost R800 when the malfunction is totally out of their control, what your plan with that?
5. In 2022, the Acting HoD: Engineering Services, Mr McLeod issued a memo with telephone numbers of whom communities should catch for prepaid meter issues. In my Ward and I guess many other Wards, when a prepaid meter malfunctions is taken out, it is not replaced and passed. How many of these meters have been replaced and what are the actual financial losses associated with passing the meters?

Since the non-experts have drafted the same document, as the ANC administration has been doing for years, what is their use other than ruining this Municipal.

6. As their core function is to bring financial stability, why is the Financial Recovery Plan not part of the implementation documents, especially because every document known to mankind was attached.
7. Between 2017 – 2020, only 3356 title deeds issued, why, are we waiting for election season to issue the rest as part of ANC campaigning strategy?
8. Where is “Cllr Gugu’s” input in this failure of a document, and has she reached it, you know since it ANC led?
9. To close off, year in and year out, the ANC led administration has tabled unfunded, inaccurate and unrealistic non-implementable budget and IDP. When their failure were apart and tangible, they send the Provincial Government. But they are all the same; wow! we have want to be political and non-experts.

The moral of the story is, we are in trouble, the ANC and all its affiliates are useless and the people of Mangaung must know that CoGTA, Treasury and the Department of Transport are to be named for the deteriorating Mangaung.”

Councillor PJ Rampai: “Thank you, Madam Speaker. No matter how far your village is, the ballot paper will always be there, but development won’t be and we hope this draft budget Madam Speaker, re tlo shanotsa ballot paper.

Secondly, I just want to get clarity on the Acting Executive Mayor speech about the inheritance of Mangaung and that has been destroyed, especially when we check over Waterfront Zoo, Naval Hill and Rose Garden or are we going to bring back the legacy of Mangaung so that the people of Mangaung can enjoy, not going out of Free State to enjoy the outside and enjoying the Free State? Thank you so much, Madam Speaker.”

Councillor GJ Lipale: “Thank you, Madam Speaker, the Acting Executive Mayor did not address much on the informal settlement with regards to how are they going to formalize them. Furthermore, it also does not indicate on how vacant land will be allocated to them. Our people are no longer expecting RDP’s, our people require land to build for themselves. Can the Municipality or the draft budget talk about the land offering our people or availing Municipal land to our people.

There has been a serious problem regarding the private sectors, who are not paying their rates and taxes. It has been brought to our attention that, the owners of Waterfront are not paying the Municipality their rates & taxes, in addition there is concrete evident that there is an outstanding amount of R600,000. They are kindly requested to investigate this matter. Thank you, Madam Speaker.”

The Speaker indicated that the inputs on this item is duly noted and therefore Councillors will not be voting on the item.

RESOLVED that the Council:

- (a) Notes the draft reviewed Integrated Development Plan for 2023/2024.
- (b) Notes the below mentioned drafts Sector Plans for 2023/2024 (Annexures as Key Components of IDP):

Drafts Sectoral Plans	Annexure
MMM Ward Demographics Maps	A
Environmental Management Plan and Climate Change Adaptation and Mitigation Strategy	B
Integrated Waste Management Plan	C
Ten - Year Water Conservation and Water Demand Management Strategy	D
Integrated Public Transport Network Plan	E
Integrated Human Settlement Plan	F
MMM Organogram	G
Technical Indicator Description (TIDs)	H
Spatial Development Framework	I
Disaster Management Plan	J
Centlec Energy Plan	K
Water Service Development Plan	L
Rural Development Plan	M
Roads Asset Management Plan	N
Organisational Performance Management Framework	O
Mangaung Metropolitan Open Space System	P
Informal Settlement Upgrading Strategy	Q

- (c) Note the Draft Service Delivery and Budget Implementation Plan (SDBIP 2023/2024).
- (d) Notes that the drafts IDP, Sector Plans and SDBIP 2023/2024 will be submitted to both the departments of Treasury and COGTA and further be published on the municipal website for comments.

**2.
TABLING OF:**

A.

- I. **MMM MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2023/24 – 2025/26**
- II. **MMM CAPEX BOOKLET 2023/24 – 2025/26 (30 June 2023)**
- III. **MMM BUDGET RELATED POLICIES**
 - **Policy on Indigent Customers (1 July 2023)**
 - **Property Rates Policy (1st Draft) for implementation 1 July 2023**
 - **Principle and Policy on writing off of irrecoverable debt (1 July 2023)**
 - **Tariffs Policy (1 July 2023)**
 - **Credit Control and Debt Collection Policy (1 July 2023)**
 - **Cost containment Policy (Draft)**
 - **Travel Management Policy**
 - **Virement Policy**
 - **Draft revised 16th Supply Chain Management Policy**
- IV. **GENERAL TARIFFS 2023/24 – 2025/26**

B.

- I. **CENTLEC MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2023/24 – 2025/26**
- II. **ANNEXURES 2.1 – 2.6**
- III. **CENTLEC AMENDED POLICIES**
- IV. **CENTLEC APPROVED POLICIES**
- V. **DRAFT SDBIP (APPENDIX C)**
- VI. **CENTLEC BUSINESS PLAN 2022 – 2027**

Councillors addressed the Council as follows:

Cllr MW Mongale: “Madam Speaker, I have a question in regard to the people of Botshabelo who have been using pit latrines, which were given a nice name called VIP toilets. While their dignity was being taken away, when is the bucket system going to be eradicated in Mangaung Municipality? I need a response from the Acting Executive Mayor with regard to that. Has it been accommodated in the budget and if not why? Don't they have dignity to live like us Councillors, who live in houses where we can flush our toilets?”

The issue of mandatory Financial Recovery Plan, we were promised that it will be provided. Therefore we are expecting the Financial Recovery Plan to be submitted.

With regards to the Vista Park path development, the Municipality allocated money for that development, but we see, there is additional funds of R60 million allocated, what transpired with the previous funds? Can clarity be given as to whether the money was looted or the Municipality underestimated the entire project? However we need a response to this effect.

The Cost Containment Policy, we need all these policies to go to the Section 80 Committees in order for us as Councillors to make contributions, so as to own up to the process. When we were given the experts from National, according to Terms of Reference, we were told that those experts are going to help us with the Financial Recovery Plan which means they are not going to create a burden to us financially, that they are going to take us out of the current situation. I hope that the rumours are not true, that every expert that has been sent here, have two bodyguards, that is a fruitless expenditure.

That whether the potholes were budgeted for in the R37.2 million reflected in the document. Should it happen that a tender have been granted, to a service provider to close the potholes and should it occur that they reopened again and the service provider repudiate and indicate they got reopened due to the rainy weather. How are we going to measure that? There needs to be a mechanism on how to monitor those potholes, so that we should not be taken for a ride. We further need an investment summit in Mangaung...”

Councillor D Leech: “Madam Speaker, the Democratic Alliance notes the draft budget before us today and would like to please through you, Madam Speaker, ask the following questions to the Intervention Team:

- Why is it that the draft budget is only serving before us today, was the deadline not indeed more than a month ago already?
- Why is this the first time that the members serving on the Finance Committee seeing this document? Could someone from your team not have chaired such a meeting in the absence of the MMC, or are they clarifying of issues beforehand and the inputs from Councillors are just not that important?
- Why have we today, not received a report on the implementation of the adjustment budget and the role over, how do we know that their prescriptions were indeed followed? I suppose not. I don't see any work being done that was on those line items?
- Why have we not yet received the third quarter financial report? How is it possible to expect of Councillors to note the draft budget, if we do not even know where we stand financially on our current budget?
- What is our current collection rate, on which percentage was this budget calculated and compiled? Did you consider any collection rate at all?
- Are there measures being put in place to ensure that money received in the form of Grants does not get used again to pay salaries?
- Has the issue around overtime and the alleged corruption linked to it being addressed, have disciplinary action process been put in place to deal with financial misconduct.
- In terms of Rule 139 (4) of the Constitution it stipulated that if a municipality cannot fulfil an obligation to approve a budget or any revenue raising measures necessary to give effect to the budget. The relevant executive must intervene by taking appropriate steps. What steps has the Intervention Team taken to ensure the above Rule 152 (1) of the Constitution states that the objectives of local government is to ensure the provision of services and to promote economic development. Two is to strive within its financial capacity to achieve the above objectives. What has the Intervention Team done to achieve the said, you can't even open a bridge to promote economic development.
- To date, this Council has not been presented with a proposed new Financial Recovery Plan after the Intervention Team has been appointed. We are not receiving reports on the financial status nor any progress plans on the capital projects, why not?
- Your budget indicates an additional amount of R134, 8 million for vacancies and salaries, but you budget only R84,7 million for the fixing of water leaks. Are you aware that we lost R470 million due to water losses, shouldn't this be one of your main objectives?
- How is it possible that you only budget R77, 8 million for sewer infrastructure? Are you aware that *E.coli* rate is more than 2000, where it should be 0?
- The contracted services are increased with R60 million, but you underspent on this line item with R150 million and that was only during the first half of the year. Why then the increase?

7B

- Why is the amount from Government Grants being decreased by R155 million? Is it because of mismanagement of funds or only underspending? The salary bill is budgeted at R2 492 billion. Why has nothing been done about our bloated salary bill? To the contrary, it has been increased again. You again chose to ignore the prescriptions of the Auditor General.
- Why is there another increase in property rates while we in fact had two last year, the normal increase together with the increase in the valuation roll?
- To date, this Council has not been presented with a proposed new Financial Recovery Plan. Is it that the ANC, together with its ANC Intervention Team, not perhaps too busy trying to hold on to the last bit of power, that it has forgotten its obligation and mandate? Thank you. Madam Speaker.”

Councillor Denner: “Madam Speaker, my first question is this budget a copy and paste exercise, as in the case where municipalities are governed by the ANC, or does it actually contain specific needs identified as submitted by Heads of the respective Departments?”

Secondly, this budget clearly does not contain any submissions made by the public regarding the IDP. Why is that, I can answer that question myself it is because the ANC regards, public participation as a rubber stamp and will not adhere to anything that is of public opinion. If it goes against their self-serving political ideals. Did this budget serve before any of the Section 80 Committees for additional oversight. I can answer that one as well, no they didn't. Why not, because these committees do not exist as a matter of fact, this Municipality has been run so poorly. that no committees are functioning according to legislative prescripts. Where is the third quarter report?

Another red flag is the fact that, the projected income is hugely inflated in comparison with the current collection rate. Is this to create the illusion that the budget is funded when it's clearly not. How can the entity implement policies and rates without proper consultation and inputs from all stakeholders in this matter. Where are the decisive steps that have been taken to reduce this number. I can continue until tomorrow, but, Madam Speaker, I conclude with a word of caution today to the ANC; everything that is done in the dark, eventually comes out in the light. Julle tyd is min, you have been warned. Thank you, Madam Speaker.”

Cllr MH Supi supported the report as alluded to by the Acting Executive Mayor.

Councillor LE Rasoeu: “Thank you, Madam Speaker, and through you to the Acting Executive Mayor, our Indigent Policy and all registers are without questions. They have concerns with regards to the integrity of the Indigent Policy. For instance, if you left the Council now and you passed the area of Brandwag, you will identify the inconsistencies or the controversies we are talking about.

You will ask yourself questions if people staying there, are rightful. For instance, also the our indigent register from time to time especially, our indigents who are above 60 are being deleted in our register and we are concerned that this is just to ensure that there is an external service provider appointed to update the register.

7C

How are you going to fix this challenge? Who is the project manager overseeing the update or the verification of the indigent register? Does the Acting Executive Mayor have a strategy on how to address this concern. As Council, we took a resolution that the Acting Executive Mayor should place the Project Management Unit in the Office of the City Manager. This followed the concerns we had as the City with regards to the monitoring of projects in the City. And we have also resolved that there must be an official appointment and how far is that process Executive Mayor moreover can you ensure that before the end of this financial year that unit the Project Management Unit is fully functionally the Office of the City Manager. Can they also ensure the appointment of the senior officials who are going to assist that unit takes place before the commencement of the new financial year so that the new officials are part of the planning process, or rather, are part of the planning and implementation process in that office. I thank you, Madam Speaker.”

The Speaker pronounced once again, that the Councillors inputs were duly noted and reiterated that all these items are for noting therefore the Councillors will not be voting.

RESOLVED

BUDGET RELATED RESOLUTIONS

1. Mangaung Metropolitan Municipality in terms of Section 21(b) of the Municipality Finance Management Act, Act 56 of 2003, tables the 2023/24 annual budget for noting with the total consolidated revenue of R10,26 billion, operating expenditure of R8,70 billion and capital expenditure of R1,20 billion and the indicative allocations for the two outer years of the MTREF period including the multi-year and single-year capital appropriations, as set out in the following tables, **for noting**:
 - (a) Budgeted Financial Performance (revenue and expenditure by standard classification): - Table A2
 - (b) Budgeted Financial Performance (revenue and expenditure by municipal vote): - Table A3
 - (c) Budgeted Financial Performance (revenue by source and expenditure by type): - Table A4
 - (d) Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source - Table A5
2. That the consolidated financial position, cash flow, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets **be noted**, as set out in the following tables:

(a) Budgeted Financial Position -	Table A6
(b) Budgeted Cash Flows -	Table A7
(c) Cash-backed reserves and accumulated surplus reconciliation -	Table A8
(d) Asset Management -	Table A9
(e) Consolidated Basic Service Delivery measurement -	Table A10
3. That the consolidated budget that includes Mangaung Municipality and Centlec (SOC) Ltd **be noted** and that Centlec’s standalone Budget be aligned to the consolidated budget as stated on 7. and 8. below.

4. That the Council of Mangaung Metropolitan Municipality acting in terms of Section 75A of the Local Government Municipal Systems Act, 32 of 2000 as amended, hereby tables the following tariffs for **noting** and implementation with effect from 01 July 2023:
- | | |
|--------------------------|---------|
| 1) Supply of Electricity | Page 53 |
| 2) Property Rates | Page 58 |
| 3) Sewerage Fees | Page 62 |
| 4) Refuse Removal Fees | Page 64 |
| 5) Supply of Water | Page 68 |
5. That the consolidated General Tariffs as set out in the Tariffs Booklet for the 2023/24 financial year **be noted** for implementation with effect from 01 July 2023.
6. That in terms of Section 21(b) (ii)(bb) of the Municipal Finance Management Act, Act 56 of 2003 the budget related policies including any amendments **be noted**.
7. That Council should **note** that Entity's budgeted financial position has been amended on consolidation, to reflect the current shareholder loan agreement, instead of the issued equity as per the later budgeted statements.
8. That the Centlec (SOC) Ltd budget submissions for the period 2023/24 – 2025/26 **be noted** as set out below, subject to the limitation of 37 above:
- MTREF Operating and Capital Budget (as incorporated in the consolidated budget above).
 - Service Tariffs
 - Policies
 - Business Plan
 - SDBIP

73.

REPORTS FROM THE SPEAKER

None.

NOTED.

74.

REPORTS FROM THE AUDIT COMMITTEE

None.

NOTED.

75.

REPORTS FROM THE MPAC

None.

NOTED.

76.

IN COMMITTEE REPORTS

None.

NOTED.

77.

CLOSING OF THE SPECIAL COUNCIL MEETING

The meeting officially closed at 15h41.

SECRETARIAT UNIT
COMMITTEE SERVICES