



nelson mandela bay
MUNICIPALITY



2021/22 OVERSIGHT REPORT

TABLE OF CONTENTS

FOREWORD BY THE CHAIRPERSON OF MPAC.....	1
1. PURPOSE	3
2. INTRODUCTION.....	3
3. COMPOSITION OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	4
4. TIME CONSIDERATIONS	5
5. LEGAL FRAMEWORK.....	6
6. PUBLIC PARTICIPATION IN THE OVERSIGHT PROCESS	6
7. OVERSIGHT COMMITTEE RECOMMENDATIONS	7
8. OVERSIGHT REPORT RECOMMENDATIONS FROM 2018/19 TO 2020/21 NOT IMPLEMENTED	15
9. OVERSIGHT COMMITTEE (MPAC) RESOLUTIONS:.....	15

APPENDICES:

APPENDIX “A”: Minutes of Oversight Committee (Municipal Public Accounts Committee) meetings

APPENDIX “B”: Advertisements/Invitations to the public to comment / attend meetings where the 2021/22 Annual Report will be discussed

FOREWORD BY THE CHAIRPERSON OF MPAC

The Draft 2021/22 Annual Report of the Nelson Mandela Bay Municipality was tabled in Council on 02 February 2023 and was referred to the Municipal Public Accounts Committee (MPAC) for interrogation. The MPAC has been delegated by Council to consider the Draft 2021/22 Annual Report and prepare an Oversight Report for consideration by Council.

The MPAC reviewed the contents of the Draft 2021/22 Annual Report and made recommendations accordingly. Concerns were raised across the different components of the Draft 2021/22 Annual Report. It is concerning to note that the Municipality continues to receive qualified audit outcomes as a result of repeated Auditor-General's findings and the weak implementation of the Municipality's Audit Action Plan.

This Oversight Report contains the recommendations emanating from the deliberations and observations in respect of the Draft 2021/22 Annual Report. The MPAC will continue to monitor the implementation of all its recommendations contained in this Oversight Report (including outstanding recommendations from previous financial years) through its ordinary and quarterly meetings.

Section 127 (5) (a) (ii) of Local Government: Municipal Finance Management Act, No. 56 of 2003 requires the Nelson Mandela Bay Municipality to involve the local community in the annual report oversight process. To fulfill this obligation, the MPAC held a public hearing on the Draft 2021/22 Annual Report to listen to our citizens and stakeholders and consider their inputs in the drafting of the Oversight Report on the 2021/22 Annual Report. Various service delivery issues (including inadequate electricity provision, illegal dumping, lack of proper sanitation and vandalism of municipal properties) were raised by citizens.

The Municipality has a constitutional mandate to employ every avenue and platform to ensure full participation of our communities in its planning and annual reporting processes. To this end, no citizen should be excluded from these important processes because of either their current economic condition or where they are located. The

only way citizens can hold public officials accountable is when they are given the opportunity to be part of the Municipality's oversight processes. The MPAC will ensure that citizens form part of our governance processes to hold public officials accountable for the betterment of our people.

I would like to thank the members of MPAC and the Executive Management for their support and commitment in fulfilling this important mandate.

A handwritten signature in black ink, appearing to read 'K Ngqisha', is positioned above the printed name.

**COUNCILLOR K NGQISHA
(CHAIRPERSON)**

1. PURPOSE

The purpose of this Oversight Report is to present to Council the observations made by the Municipal Public Accounts Committee (MPAC) and its recommendations regarding the Draft 2021/22 Annual Report for consideration.

The Annual Report is part of the Municipality's governance effort to account to stakeholders and residents of Nelson Mandela Bay, as mandated by the Local Government: Municipal Finance Management Act (MFMA) No. 56 of 2003 and the Municipal Systems Act (MSA) No. 32 of 2000. The Draft 2021/22 Annual Report provides overview of the Nelson Mandela Bay Municipality's performance (both financial and non-financial performance) during the 2021/22 financial year.

2. INTRODUCTION

The Draft 2021/22 Annual Report was presented to Council on 02 February 2023 and was subsequently referred to the MPAC for review. The MPAC assessed the contents of the Draft 2021/22 Annual Report and made recommendations (in its Oversight Report) to Council for consideration. The MPAC's deliberations on the Draft 2021/22 Annual Report resulted in this Oversight Report.

The following processes were followed by the MPAC in assessing the Draft 2021/22 Annual Report:

- Holding several MPAC meetings to review the Draft 2021/22 Annual Report.
- Inviting, receiving and considering inputs from stakeholders.
- Holding public hearing on the Draft 2021/22 Annual Report

The MFMA, MSA and National Treasury Circulars provide guidance in the drafting of the Annual Report which consists of the following components:

- The 2021/22 Annual Performance Report, as required in terms of Section 46 of MSA.
- The 2021/22 Audited Annual Financial Statements.

- The 2021/22 Auditor-General's Audit Report on the financial statements and programme performance in terms of Section 126 (3) of the MFMA and 45 (b) of the MSA respectively.
- The 2021/22 Audit Committee's Report.

3. COMPOSITION OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The MPAC membership is constituted as follows, proportionally representing the political parties in Council:

TABLE 1: COMPOSITION OF MPAC

NO	NAME	POLITICAL AFFILIATION
1	Councillor K Ngqisha (Chairperson)	Economic Freedom Fighters
2	Councillor J S Best	Democratic Alliance
3	Councillor M Feni	African National Congress
4	Councillor M J Figg	Democratic Alliance
5	Councillor J M Lotter (Whip)	African Christian Democratic Party
6	Councillor F Hermaans (Whip)	Defenders of the People
7	Councillor N N Koko	African National Congress
8	Councillor B N Mafaya	African National Congress
9	Councillor H Müller (Whip)	Democratic Alliance
10	Councillor X L Notshe (Whip)	African National Congress
11	Councillor B S Pegram	Democratic Alliance
12	Councillor L Peter	African National Congress
13	Councillor N Qwazi (Whip)	Economic Freedom Fighters
14	Councillor M G Steyn	Democratic Alliance
15	Councillor I L Van Wyk	Democratic Alliance

The MPAC is made up of only non-executive Councillors as per the MFMA Circular No.32, and municipal officials are not members of MPAC. However, the Accounting Officer and senior managers are required to attend all MPAC meetings to account in their respective areas of responsibilities. All meetings of the MPAC are open to the public, and timely notice of meetings are given to enable representations to be made.

4. TIME CONSIDERATIONS

4.1 Meeting Schedule

The MPAC complied with the relevant legislative prescripts in developing the 2021/22 Oversight Report and concluded its oversight process within the stipulated timeframe.

Below is MPAC's schedule of meetings for assessing the Draft 2021/22 Annual Report.

TABLE 2: MPAC MEETING SCHEDULE

NO	MEETING DATE AND TIME	FOCUS AREA	VENUE
1	Tuesday, 7 February 2023 11:00	<ul style="list-style-type: none"> Audited Annual Financial Statements (Volume II) 2021/22 Auditor-General's Report (Volume III) Chapter 5 (Volume I) Chapter 6 (Volume I) Report of the Audit Committee (Volume IV) 	Council Chamber (Gqeberha)
2	Tuesday, 14 February 2023 11:00	<ul style="list-style-type: none"> Chapter 1 (Executive Mayor's Foreword, City Manager's Overview and Executive Summary (Volume I) Chapter 2 (Volume I) 	Council Chamber (Gqeberha)
3	Tuesday, 21 February 2023 10:00	<ul style="list-style-type: none"> Chapter 3 (Volume I) Component K (Institutional Annual Performance Report) CoGTA Indicators National Treasury Circular 88 Indicators 	Council Chamber (Gqeberha)
4	Tuesday, 7 March 2023 11:00	<ul style="list-style-type: none"> Public Hearing 	Feather Market Centre (Gqeberha)
5	Thursday, 9 March 2023 10:00	<ul style="list-style-type: none"> Appendices A – S (Volume I) MBDA Annual Report MBDA Audit Report MBDA Audited Financial Statement MBDA Annual Performance Report 	Council Chamber (Gqeberha)

The MPAC adopted its Roadmap for reviewing the Draft 2021/22 Annual Report on 24 January 2023.

5. LEGAL FRAMEWORK

The preparation of the 2021/22 Oversight Report is in accordance with Section 129 (1) of the Municipal Financial Management Act No. 56 of 2003, which requires a municipal Council to consider the Annual Report and refer the Annual Report to an Oversight Committee. The Oversight Committee is required to prepare an Oversight Report containing comments and recommendations. The Council must at the adoption stage of the Oversight Report state whether it (the Council) has approved the Annual Report with or without reservations; has rejected the Annual Report; or has referred the Annual Report back for revision of those components that can be revised.

Circular No. 32 of the MFMA further recommends that Council should consider the establishment of an Oversight Committee under Sections 33 and 79 of the Municipal Structures Act (1998). The Circular states that this Committee and, if needed, sub-committees, could be responsible for the detailed analysis and review of the Annual Report and subsequent drafting of an Oversight Report that may be taken to Council for discussion. Such committee, according to this Circular, may receive and review representations made by the public and seek inputs from other Councillors and Council Portfolio Committees.

6. PUBLIC PARTICIPATION IN THE OVERSIGHT PROCESS

Section 130 (1) of MFMA stipulates that the meetings of a municipal Council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organ of state.

The MPAC adopted the following steps to promote public participation in the annual report oversight process:

- Inviting written responses on the Draft 2021/22 Annual Report from the local community and state organizations.
- Making all MPAC meetings on the Annual Report public.
- Inviting the Auditor-General's representatives to present the Auditor-General's report at an MPAC meeting.

- Holding a public hearing on the Draft 2021/22 Annual Report.

The initiatives implemented by MPAC to promote public participation in the oversight process are summarized in the table below:

TABLE 3: PUBLIC PARTICIPATION PROCESS

MECHANISM TO PROMOTE PUBLIC PARTICIPATION	STATUS	COMMENTS
Invitation to public to submit comments on the Annual Report	Done	The Public was invited through an advertisement published on 06 February 2023 to submit comments on the Draft 2021/22 Annual Report to the Municipality.
Make public all meetings of Council's Oversight Committee that will consider the Annual Report	Done	The MPAC adopted Roadmap was advertised on 06 February 2023 inviting the public to its scheduled meetings for discussing the Draft 2021/22 Annual Report.
Representatives of the Auditor-General invited to meetings of Council that will consider Annual Report	Done	Auditor-General's representatives were invited to the MPAC meetings convened to consider the Draft 2021/22 Annual Report.
Annual Report printed and distributed to municipal offices for access by local communities.	Done	Copies of these reports lie open for inspection at all municipal libraries and customer care centres and were also published on the municipal website (www.nelsonmandelabay.gov.za).
Holding a public hearing on the Draft 2021/22 Annual Report	Done	A public hearing on the Draft 2021/22 Annual Report was held on 07 March 2023.

7. OVERSIGHT COMMITTEE RECOMMENDATIONS

The discussions and recommendations of MPAC were presented in accordance with the following identified areas in the Draft 2021/22 Annual Report.

Area 1 Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.

Area 2 Volume II: Audited (Consolidated) Financial Statements

Area 3: Volume III: Audit Report by the Auditor-General

Area 4: Volume IV: Audit Committee Report

Area 5: Volume V: Report on Entity – Mandela Bay Development Agency

TIMEFRAME CONSIDERATIONS

Implementation of the recommendations in this Oversight Report will be monitored by the MPAC through its ordinary and quarterly report meetings in line with the timelines indicated below.

7.1 OVERSIGHT COMMITTEE RECOMMENDATIONS

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.	1	The Committee expressed a serious concern in respect of the high-water usage by ATTP consumers.	That the Senior Director : Water and Sanitation submits a report on ATTP water usage at the next ordinary meeting of MPAC; and that the report indicates whether or not the monitoring mechanisms of the municipality are effective in ensuring that water is not lost due to negligence.	Senior Director : Water and Sanitation	14 April 2023
	2	The Committee expressed concern in respect of the high overtime cost.	(a) That the City Manager submits a comprehensive report on overtime at the next ordinary meeting of MPAC. (b) That the report per (a) above reflects the status of the overtime policy and progress in respect of the filling of vacancies in senior management positions within the Safety and Security directorate.	City Manager	14 April 2023
	3	A concern was raised about the low collection rate of traffic fines	That the Acting Executive Director : Safety and Security submits a report on the most effective way to collect fines and increase collection rate thereof to the next ordinary meeting of MPAC for consideration.	Acting Executive Director: Safety and Security	14 April 2023
	4	The Committee expressed its concern about Supply Chain Management vacancies	(a) That the Executive Director: Corporate Services submits progress report on the filling of SCM vacancies at the next ordinary meeting of MPAC. (b) That the report in terms of (a) above include the total number of vacancies, age analysis of the vacancies and the stage of the recruitment process for each vacancy.	Executive Director: Corporate Services	14 April 2023
	5	The Committee raised concern about delays in mSCOA implementation.	The Chief Financial Officer submits progress reports on the implementation of mSCOA to the quarterly meetings of MPAC.	Chief Financial Officer	Quarterly

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.	6	Concerns were raised on the fact that the existing partnerships only focus on non-African cities rather than cities within the African continent	That a presentation be made to MPAC on existing partnerships and the plan to include African cities in the Municipality's international relation programme at the next meeting of MPAC.	Acting Chief Operating Officer	24 March 2023
	7	Chapter 3 – Service Delivery Performance Report The Committee expressed serious concerns with regards to lack of progress on the KPI: <i>Number of dwellings provided with connections to the mains electricity supply by the Municipality.</i>	That the Chief Financial Officer submits a report highlighting consequence management and outcomes thereof, relating to the service provider that delivered incorrect material in respect of this item to the next ordinary MPAC meeting.	Chief Financial Officer	14 April 2023
	8	The Committee expressed a concern about the underperformance in respect of the KPI: <i>Percentage compliance with the required attendance time for structural firefighting incidents.</i>	<p>(a) That the Acting Executive Director: Safety and Security submits a report on the vacancies within the Fire Department at the next ordinary meeting of MPAC.</p> <p>(b) The report in terms of (a) above must include the total number of vacancies, age analysis of the vacancies and the stage of the recruitment process for each vacancy.</p> <p>(c) That the Municipality conducts a feasibility study to establish whether or not it would be conducive to build additional fire stations.</p> <p>(d) That progress report in terms of (c) above be submitted to the quarterly meetings of MPAC.</p>	Acting Executive Director: Safety and Security	14 April 2023 Quarterly
	9	KPI 15 – Percentage of official complaints responded to through the municipal complaint management system	That the Acting Chief Operating Officer submits progress reports on the corrective measures to address call centre challenges at MPAC's quarterly meetings.	Acting Chief Operating Officer	Quarterly

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.		It was explained that corrective measures to address call centre challenges were in place and that the Acting Chief Operating Officer would submit progress reports herein at MPAC's quarterly meetings.			
	10	<p>KPI 16 – Number of subsidised housing units constructed using various Human Settlements programmes</p> <p>It was reported that the reason for underperformance was the result of the delay in receipt of the funding agreement from the Eastern Cape Department of Human Settlements, however, it was raised that upon the conclusion of the funding agreement, the construction of subsidised housing units commenced and that 280 units had been built (after the 2021/22 financial year).</p>	<p>(a) That the Executive Director: Human Settlements submits progress reports on the construction of state subsidised housing units at MPAC's quarterly meetings.</p> <p>(b) The report in terms of (a) above should outline challenges associated with the construction of state subsidised houses in the metro, particularly relating to the Eastern Cape Department of Human Settlements.</p>	Executive Director: Human Settlements	Quarterly
	11	<p>KPI 31 – Percentage callouts responded to within 24 hours (sanitation/wastewater)</p> <p>Underperformance in respect of this item was of serious concern.</p>	<p>(a) That a presentation on the National Treasury Circular 88 be made to MPAC to gain understanding of the requirements of the Circular.</p> <p>(b) That the Municipality conducts training on National Treasury Circular 88 Requirements for call centre agents, including the officials who are responding to complaints on the ground.</p>	Acting Chief Operating Officer	31 May 2023

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume I: Annual Report Executive Summary, Governance, Service Delivery Performance, Organizational Development, Financial Performance and Auditor-General's Audit Finding.	12	<p>KPI 46 – Percentage of the Municipality's operating budget spent on Indigent relief for free basic services</p> <p>The Municipality was implored to improve on its performance herein and, in addition, Ward Councillors were requested to provide assistance in relation to the outreach programmes to ensure awareness to residents about the ATTP programme.</p>	That Ward Councillors initiate awareness campaigns in the form of community meetings (with assistance from Budget and Treasury) on the ATTP programme.	Director: Constituency Services	On-going
	13	<p>KPI 56 – Percentage of the municipality's capital budget actually spent</p> <p>A concern was raised about the underperformance herein.</p>	That the KPI relating to spending of the Municipality's capital budget form part of the performance scorecard of all the Executive Directors and Senior Officials.	Acting Chief Operating Officer	01 July 2023
	14	<p>KPI 59 – Staff vacancy rate</p> <p>The Committee expressed the view that the Municipality does not have any succession plan in place.</p>	<p>(a) That the City Manager facilitates the drafting of a Succession Plan to strengthen the overall capability of the Municipality.</p> <p>(b) That progress reports in terms of (a) above form part of MPAC's quarterly reports for oversight purposes.</p>	City Manager	Quarterly
	15	<p>KPI 63 – Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission</p>	(a) That the Chief Financial Officer submits a report on payments made to service providers within 30 days of invoicing to MPAC's quarterly meetings.	Chief Financial Officer	Quarterly

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
		The Committee expressed concerns about the long outstanding invoices.	(b) The report in terms of (a) above should include all outstanding invoices and the age analysis thereof, as well as the reasons for delay in invoice processing.		
	16	KPI 65 – Percentage of Wards that have held at least one Councillor-convened community meeting. A concern was raised that many Councillors held numerous meetings in their Wards which was not reflected in the Annual Performance Report.	That the Office of the Chief Operating Officer in conjunction with the Executive Director: Corporate Services facilitate a process to inform Councillors on the requirements of the KPI relating to the 'percentage of Wards that have held at least one Councillor-convened community meeting'.	Acting Chief Operating Officer	31 May 2023
	17	Appendices A – S (Volume I) A concern was raised about the slow progress of electrification of informal settlements.	That the Executive Director: Electricity and Energy submits a status quo report in respect of undeclared informal settlement electrification to the next ordinary meeting of MPAC.	Executive Director: Electricity and Energy	14 April 2023
Volume III: Audit Report by the Auditor-General	18	It is concerning to note that the Municipality continues to receive qualified audit outcomes as a result of repeated Auditor-General's findings and the weak implementation of the Municipality's Audit Action Plan.	That the City Manager submits an Audit Action Plan to address the Auditor-General's findings to MPAC's quarterly meetings.	City Manager	Quarterly
Volume V: MBDA Annual Report (Performance Scorecard)	19	KPI 2: Rehabilitating Bayworld The Committee expressed concerns about the slow progress in respect of the Bayworld rehabilitation project.	That MPAC conducts an oversight visit to Bayworld to gain better understanding of the circumstances thereof.	Chairperson: MPAC	29 March 2023

AREA	NO	MATTER UNDER CONSIDERATION/ CONCERNS RAISED	RECOMMENDATIONS	RESPONSIBLE DIRECTORATE / OFFICIAL	TIMEFRAME
Volume V: MBDA Annual Report (Performance Scorecard)	20	<p>KPI 3: Upgrading of the Helenvale Precinct</p> <p>The Committee raised the following concerns in respect of this item.</p> <ul style="list-style-type: none"> • Disruption of projects. • Challenges of handing over of projects to NMBM by MBDA. • Feasibility of MBDA to operate and manage buildings that have been built and ready but not in the Municipality's priority list. 	<p>a. That the MBDA submits a list of all capital projects completed (.e.g., buildings) as well as the list of all projects that are currently being implemented to the next ordinary meeting of MPAC.</p> <p>b. That MPAC conducts oversight visits to all MBDA's project sites to view progress on the projects.</p> <p>c. That a list of buildings that are not well managed by the Municipality be submitted to the next ordinary meeting of MPAC.</p> <p>d. That a feasibility study be conducted to determine if MBDA can operate and manage buildings constructed by the MBDA</p> <p>e. That progress reports on the feasibility study be submitted to the quarterly meetings of MPAC.</p>	<p>Acting CEO: MBDA</p> <p>Chairperson: MBDA</p> <p>City Manager</p> <p>City Manager</p> <p>City Manager</p>	<p>14 April 2023</p> <p>On-going</p> <p>14 April 2023</p> <p>Quarterly</p>

8. OVERSIGHT REPORT RECOMMENDATIONS FROM 2018/19 TO 2020/21 NOT IMPLEMENTED

In addition to the recommendations cited in the preceding section (Section 7.1), the MPAC will continue to monitor the implementation of all outstanding recommendations in previous financial years' Oversight Reports (2018/19 - 2020/21).

9. OVERSIGHT COMMITTEE (MPAC) RESOLUTIONS:

Having fully considered the Nelson Mandela Bay Municipality's 2021/22 Annual Report, the Municipal Public Accounts Committee resolves to recommend to Council the following:

- (a) That the Council, having fully considered the Annual Report of the NMBM for the 2021/22 financial year, adopts the Oversight Report, circulated as Annexure "A" to this agenda, as presented by MPAC.
- (b) That the 2021/22 Annual Report be approved with comments and recommendations as included in the Oversight Report.
- (c) That the recommendations of the Municipal Public Accounts Committee reflected in Section 7 of its 2021/22 Oversight Report be adopted and that, the progress made with the implementation thereof be reported in the Quarterly Reports to MPAC.
- (d) That progress with the implementation of outstanding recommendations by MPAC emanating from the 2018/19, 2019/20 and 2020/21 financial years be reported in the Quarterly Reports to MPAC.
- (e) That the Oversight Report be made public in accordance with Section 129 (3) of the Local Government: Municipal Finance Management Act, Act 56 of 2003.
- (f) That the Oversight Report for the 2021/22 financial year be submitted to the Provincial Legislature in accordance with Section 132(2) of the Local Government: Municipal Finance Management Act, Act 56 of 2003.

- (g) That Council, having fully considered the Mandela Bay Development Agency's (MBDA's) Annual Report, as included in the NMBM's 2021/22 Annual Report, approves the Municipal Entity's Annual Report.

APPENDIX “A”:

**Minutes of Oversight Committee
(Municipal Public Accounts Committee)
meetings**

MINUTES OF PROCEEDINGS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

(Meeting held 7 February 2023)

PRESENT: Councillor K Ngqisha (Chairperson)

Councillor Best, J S
Councillor Feni, M
Councillor Figg, M J
Councillor Lötter, J M
Councillor Hermaans, F
Councillor Koko, N
Councillor Mafaya, B N
Councillor Müller, H
Councillor Notshe, X L
Councillor Pegram, B S
Councillor Peter, L
Councillor Qwazi, N
Councillor Steyn, M G
Councillor Van Wyk, I L

ALSO PRESENT: Councillor M de Andrade
Councillor N E Nqakula

City Manager

Chief Financial Officer
Executive Director : Human Settlements
Executive Director : Public Health
Executive Director : Corporate Services
Executive Director : Electricity and Engineering
Acting Executive Director : Economic Development, Tourism and
Agriculture (Mr M Pebane)
Acting Executive Director : Sport, Recreation, Arts and Culture
(Ms C Williams)
Acting Executive Director : Safety and Security (Mr W Prins)
Acting Executive Director : Roads and Transport (Mr Y Gaffore)
Senior Director : Water and Sanitation (Infrastructure and Engineering)
(Mr B Martin)
Director : Office of the City Manager (Ms T Shabudien)
Director : Internal Audit (Mr A Pika)
Deputy Director : Monitoring and Evaluation (Dr W Obeng)
Assistant Director : Committee Services (Mr J Sigonyela)
Chief Auditor : Internal Audit (Mr A De Wet)
Office of the Auditor General (Mr T Mseleni)
Officer of the Auditor General (Mr D Erasmus)
Office of the Auditor General (Mr V Mjacu)
Office of the Auditor General (Ms Y Puwani)

Office of the Auditor General (Mr C Vorster)
Chairperson : Audit Committee (Mr Y E Amod)
Committee Officer (Mr O Bingwa)
Executive Secretary : Office of MPAC (Ms L Ngaphi)
Intern : Committee Services (Ms C Kayser)
Intern : Committee Services (Ms A Mnqandi)

ABSENT WITHOUT LEAVE:

Councillor M Feni

APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES

No applications for leave of absence were received.

Apologies were received from:

Acting Chief Operating Officer (Ms A Dowd-Krause) who was represented by Dr W Obeng (Deputy Director : Monitoring and Evaluation).

DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)

No disclosures were made.

DISCLOSURE OF INTERESTS BY OFFICIALS

No disclosures were made.

CONFIRMATION OF MINUTES : 24 JANUARY 2023

RESOLVED:

That the Minutes of Proceedings of the Municipal Public Accounts Committee at its meeting held on 24 January 2023, as circulated, be hereby confirmed.

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

2. 2021/22 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 1 – agenda p. 6)

Audit Report of NMBM by Auditor-General

The Chairperson indicated that the report of the Auditor-General would be considered in conjunction with Chapter 6 of the 2021/22 Draft Annual Report.

The Auditor-General, in presenting his report, indicated that despite the improvement of the financial statements compared with the previous financial year, the municipality had a lot of work to do for service delivery. He stated that the 2021/22 audit outcome emanated mainly from the Service Charges on electricity and the Irregular Expenditure. It was explained that the municipality did not recognise service charges for the sale of electricity, as required by the generally recognised accounting practice; citing that the municipality reflected service charges meant for the previous year rather than the 2021/22 financial year. The Auditor-General added that the municipality did not have an adequate system in place to accurately record performance based on key indicators, which made it difficult to measure any progress made by the city.

In conclusion, the Auditor-General highlighted and advised that the following areas of concern should be closely monitored by the municipality:

- Expenditure management
- Implementation of Consequence Management
- Procurement and Contract Management
- Strengthening of Internal Controls

Audit Committee Report

The Audit Committee Chairperson, in presenting his report, highlighted the following concerns:

- Slow progress in addressing high risk findings by the Auditor-General and Internal Audit.
- Slow progress in addressing the ongoing Internal Audit staffing capacity constraints.
- Finalising the long outstanding Municipal staff establishment process.
- Dealing with critical vacancies, and suspended officials within the required timeframes.
- Slow progress in achieving mSCOA compliance.
- Increase in overdue consumer debt, and the decrease in debt collection rates, which threatened long-term financial sustainability, and borrowings.
- Increase in water and electricity losses.
- Unspent Capital Grants which had to be rolled over.
- The delays in scheduling Council meetings, and the numerous Urgent and Special Council meetings, has had numerous serious negative impacts on the municipality's governance, decision making, and financial sustainability.
- Pre-arranged quarterly Audit Committee meetings being postponed or cancelled at short notice due to Council or other Special or Urgent meetings.
- MPAC and MPAC Subcommittee not convening in the 2021/22 financial year.
- Poor Contracts Management by Directorates, leading to Deviations and Irregular Expenditure.
- Lack of, or Poor Consequence Management for poor performance.
- Poor Records Management and lack of an integrated records management system.

- Underperformance by the municipality in achieving its Key Performance Indicators as per its SDBIP.
- Section 57 Managers Performance evaluations to be carried out as soon after year end as possible.
- Poor output of the Forensic Unit.

Discussions with Management

Following questions and concerns, the Chief Financial Officer stated that the municipality had improved its performance compared with the previous financial years. He added that in the 2018/19 audit, the municipality had seven (7) qualifications and that those were all cleared in the 2021/22 audit, including the long outstanding qualifications relating to the Asset Register. i.e. sub register for street lights and review of asset useful lives. He committed that the two (2) new qualifications will be prioritised in the 2022/23 financial year.

The City Manager, in supporting the comments from the Chief Financial Officer, indicated that the municipality still had a lot of work to do. This included prioritisation of filling of critical vacancies, particularly those of senior positions and submitting reports relating to Unauthorised, Irregular, Fruitless and Wasteful expenditure to the MPAC Subcommittee. She added that an Audit Action Plan, that consisted of the audit findings and other areas of concern would form part of MPAC's quarterly reports for monitoring of progress thereof.

It was raised that every year the Auditor-General's areas of concern were simply noted by the management, as reflected in Chapter 6 or the Annual Report, and that the report did not include any remedial plan of action. Consequently, it was advised that a plan of action should be included in the 2021/22 draft Annual Report, prior to same being published.

RESOLVED:

- (a) That the City Manager submits an Audit Action Plan to MPAC's quarterly meetings.
- (b) That a plan of action should be included in the 2021/22 draft Annual Report, prior to same being published, particularly on Chapter 6 where it reads "the comments are noted".

Chapter 5 – Financial Performance

The Chairperson indicated that Chapter 5 pertaining to the Statements of Financial Performance would be considered in conjunction with Volume II (Audited Consolidated Financial Statements) in the 2021/22 Draft Annual Report.

The following issues were highlighted:

- Unspent Capital and Conditional Grants which hampered with Service Delivery
- Low collection rate which had negative impact on the municipality's revenue
- Underspending on employee related costs while having critical vacancies
- Overtime abuse
- Underspending on Repairs and Maintenance while having aging infrastructure

The meeting terminated at 14:10.

CHAIRPERSON

MINUTES OF PROCEEDINGS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

(Meeting held 14 February 2023)

PRESENT: Councillor K Ngqisha (Chairperson)

Councillor Best, J S
Councillor Figg, M J
Councillor Lötter, J M
Councillor Hermaans, F
Councillor Mafaya, B N
Councillor Müller, H
Councillor Notshe, X L
Councillor Pegram, B S
Councillor Peter, L
Councillor Qwazi, N
Councillor Steyn, M G
Councillor Van Wyk, I L

ALSO PRESENT: Councillor M J de Andrade
Councillor N I Maswana

City Manager

Chief Financial Officer
Executive Director : Human Settlements
Executive Director : Corporate Services
Executive Director : Electricity and Engineering
Executive Director: Public Health
Acting Executive Director: Safety and Security (Mr W Prins)
Acting Executive Director : Sport, Recreation, Arts and Culture (Ms C Williams)
Senior Director : Water and Sanitation (Infrastructure and Engineering)
(Mr B Martin)
Acting Senior Director: Roads and Transport (Mr S Agherdien)
Director: Internal Audit (Mr A Pika)
Director : Office of the City Manager (Ms T Shabudien)
Deputy Director: Monitoring and Evaluation (Dr W Obeng)
Risk Manager: MBDA (Mr K Swart)
Chief Auditor : Internal Audit (Mr A De Wet)
Committee Officer (Mr O Bingwa)
Executive Secretary : Office of MPAC (Ms L Ngaphi)

ABSENT WITHOUT LEAVE:

Councillor M Feni
Councillor N N Koko

APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES

No applications for leave of absence were received.

Apologies were received from:

Acting Chief Operating Officer (Ms A Dowd-Krause).

Acting Executive Director: Economic Development, Tourism and Agriculture (Mr M Pebane).

Acting Executive Director: Roads and Transport (Mr Y Gaffore).

DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)

No disclosures were made.

DISCLOSURE OF INTERESTS BY OFFICIALS

No disclosures were made.

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

3. 2021/22 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 1 – agenda p.)

3.1 Chapter 1

Mayor’s Foreword

NOTED

City Manager’s Overview

NOTED

Executive Summary

The following areas of concern were raised:

- The number of ATTP households on the municipality's Indigent Register decreased by 15,374 in the 2021/22 financial year, which represented 32.37% decline compared to the 2020/21 Indigent Register.

The Chief Financial Officer explained that the municipality, with the assistance of the Auditor General, undertook a rigorous exercise to revise the ATTP register in ensuring that the beneficiaries reflected in the register qualified for free basic service. This followed after it was established that many of the beneficiaries initially did not qualify to form part of the indigent household category; as such, this had hampered the progress of providing free basic services to the most deserving households. He further indicated that the municipality had enhanced the outreach programmes that he was confident that the number of ATTP households receiving free basic services would increase.

- Targets not met regarding the number of dwellings provided with connections to the mains electricity supply by the municipality.

The Executive Director : Electricity and Engineering indicated that the department had run out of transformers and the contract to procure same had been prolonged, hence targets were not met during the 2021/22 financial year.

- Targets not met regarding the number of subsidised housing units constructed using various Human Settlements programmes.

The Executive Director : Human Settlements explained that he had encountered challenges with regards to resuscitating the programme of building houses as the function was previously withheld by the provincial government. He added that other challenges included the enrolment of projects, however, there were 207 units that were built to date; citing that there was adequate progress in respect of the programme.

- Water usage by ATTP consumers.

The Committee expressed a serious concern in respect of the water usage by the ATTP consumers. It was highlighted that these consumers detached their concerns about how much water they consumed because the municipality barred the costs, as result, leading to the municipality writing off their billing accounts.

The Senior Director : Water and Sanitation was requested to submit a report on ATTP water usage; and that the report should indicated whether or not the monitoring mechanisms of the municipality were effective.

- Overtime abuse

The City Manager highlighted that the overtime policy had to be finalised by the Local Labour Forum, management of overtime hinged on each department of the municipality. She added that the Safety and Security Directorate, which incurred the most amount of costs

relating to overtime, had vacancies in senior positions, making it a challenge in the management of various units within the departments.

It was agreed that a comprehensive report on overtime should be submitted to the next ordinary meeting of MPAC, and that the report should reflect details on how to address the above-mentioned issues.

- Low collection rate of traffic fines

The Acting Executive Director : Safety and Security was requested to submit a report on the most effective way to collect fines and increase collection rate thereof.

Other matters of concern included poor contract management within the institution and poor or none spending of grants.

RESOLVED:

- (a) That the Senior Director : Water and Sanitation submits a report on ATTP water usage at the next ordinary meeting of MPAC; and that the report indicates whether or not the monitoring mechanisms of the municipality are effective in ensuring that water is not lost due to negligence.
- (b) That the City Manager submits a comprehensive report on overtime at the next ordinary meeting of MPAC.
- (c) That the report per (b) above reflects the status of the overtime policy and the progress in respect of the filling of vacancies in senior positions within the Safety and Security directorate.
- (d) That the Acting Executive Director : Safety and Security submits a report on the most effective way to collect fines and increase collection rate thereof.

3.2 Chapter 2

The Committee highlighted the following concerns.

- Delays in mSCOA implementation.
- Supply Chain Management vacancies

The Chief Financial Officer explained that there was an internal tool that had been developed to report on the budget, however the system was not completely adequate. He added that there was a plan to procure an external system but could not provide timeframes as to when that system would be in place.

In respect of the vacant positions at Supply Chain Management, the City Manager indicated that her office and in conjunction with Corporate Services had prioritised the filling of SCM vacancies and that a report would be submitted upon finalisation thereof.

NOTED

The meeting terminated at 13:30.

CHAIRPERSON

MINUTES OF PROCEEDINGS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

(Meeting held 21 February 2023)

PRESENT: Councillor K Ngqisha (Chairperson)

Councillor Best, J S
Councillor Figg, M J
Councillor Lötter, J M
Councillor Hermaans, F
Councillor Mafaya, B N
Councillor Müller, H
Councillor Notshe, X L
Councillor Pegram, B S
Councillor Qwazi, N
Councillor Steyn, M G
Councillor Van Wyk, I L

ALSO PRESENT: Councillor M J De Andrade

Acting Chief Operating Officer (Ms A Dowd-Krause)
Chief Financial Officer
Executive Director : Human Settlements
Executive Director : Corporate Services
Acting Executive Director : Economic Development, Tourism and
Agriculture (Mr M Pebane)
Acting Executive Director : Sport, Recreation, Arts and Culture (Ms K
Ngesi)
Acting Executive Director: Safety and Security (Mr W Prins)
Acting Executive Director: Roads and Transport (Mr Y Gaffore)
Senior Director : Water and Sanitation (Infrastructure and Engineering)
(Mr B Martin)
Director : Office of the City Manager (Ms T Shabudien)
Director: Internal Audit and Risk Assurance (Mr A Pika)

Deputy Director: Monitoring and Evaluation (Dr W Obeng)
Assistant Director: Committee Services (Mr J Sigonyela)
Acting Assistant Director: Performance Management (Ms Z Mhuluhulu)
Senior Manager : MBDA (Mr L Bangazi)
Chief Auditor : Internal Audit (Mr A De Wet)
Committee Officer (Mr O Bingwa)
Executive Secretary : Office of MPAC (Ms L Ngaphi)

ABSENT WITHOU LEAVE:

Councillor M Feni
Councillor N N Koko

APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES

No applications for leave of absence were received.

Apologies were received from:

Councillor L Peter.

The City Manager who was represented by the Chief Financial Officer.

The Executive Director: Electricity and Energy.

The Executive Director: Public Health.

DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)

No disclosures were made.

DISCLOSURE OF INTERESTS BY OFFICIALS

No disclosures were made.

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

4. 2021/22 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 1 – agenda p. 3)

4.1 Chapter 3 – Service Delivery Performance Report

KPI 1 – Number of dwellings provided with connections to the mains electricity supply by the Municipality

The Committee expressed serious concerns with regards to lack of progress herein.

It was explained that the reasons for underperformance were unexpected delays due to the unavailability of stock (i.e. ready boards, service distribution boxes, completely self-protected overhead transformers). In addition, it was discovered that the material that was ultimately delivered was not as per the required specification by the Municipality and this was the fault of the service provider.

The Chief Financial Officer indicated that a report highlighting consequence management and outcomes thereof relating to the service provider that had delivered incorrect material would be submitted at the next ordinary MPAC meeting.

RESOLVED:

That the Chief Financial Officer submits a report highlighting consequence management and outcomes thereof relating to the service provider that had delivered incorrect material in respect of this item at the next ordinary MPAC meeting.

KPI 14 - Percentage compliance with the required attendance time for structural firefighting incidents

Underperformance herein was of concern.

It was suggested that the Municipality should consider building more fire stations as it had proven to be a struggle for the current ones to service the city effectively due to some of the incidents being out of station area or borderline.

RESOLVED:

That the Municipality conducts a feasibility study to establish whether or not it would be conducive to build more fire stations.

KPI 15 – Percentage of official complaints responded to through the municipal complaint management system

It was explained that corrective measures to address call centre challenges were in place and that the Acting Chief Operating Officer would submit progress reports herein at MPAC's quarterly meetings.

RESOLVED:

That the Acting Chief Operating Officer submits progress reports on the corrective measures to address call centre challenges at MPAC's quarterly meetings.

KPI 16 – Number of subsidised housing units constructed using various Human Settlements programmes

It was reported that the reason for underperformance was the result of the delay in receipt of the funding agreement from the Eastern Cape Department of Human Settlements, however it was raised that upon the conclusion of the funding agreement, the construction of subsidised housing units commenced and that 280 units had been built.

The Executive Director: Human Settlements was requested to submit progress reports on the construction of subsidised housing units at MPAC's quarterly meetings.

RESOLVED:

That the Executive Director: Human Settlements submits progress reports on the construction of subsidised housing units at MPAC's quarterly meetings.

KPI 31 – Percentage callouts responded to within 24 hours (water and sanitation)

Underperformance in respect of this item was of serious concern. It was indicated that underperformance herein resulted to a health risk that same was due to a lack of understanding the new way of responding to complaints logged in terms of the National Treasury Circular 88 requirements. Consequently, it was suggested that the municipality should undertake training for call centre staff including the officials who were responding to complaints on the ground.

RESOLVED:

That the municipality conducts training on National Treasury Circular 88 Requirements for call centre agents, including the officials who are responding to complaints on the ground.

KPI 44 – Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)

The Committee expressed dissatisfaction with regards to underperformance herein, citing the city was faced with a challenge of high unemployment rate and hence good performance in respect of this item was mandatory.

NOTED

KPI 46 – Percentage of the Municipality's operating budget spent on Indigent relief for free basic services

The municipality was implored to improve on its performance herein and, in addition, ward Councillors were requested to provide assistance in relation to the outreach programmes to ensure awareness to residents about the ATTP programme.

RESOLVED:

That Ward Councillors provide assistance to the municipality in respect of the ATTP outreach programme to ensure awareness thereof.

KPI 56 – Percentage of the municipality’s capital budget actually spent

It was explained that this matter was dealt with administratively to ensure improvement thereof, this followed after a concern was raised about the underperformance herein. It was added that this KPI should be added to all the Executive Directors and Senior Officials as it was not the sole responsibility of the Chief Financial Officer to ensure that capital budget was spent effectively.

RESOLVED:

That the KPI relating to spending of the municipality’s capital budget form part of the performance evaluation for all the Executive Directors and Senior Officials.

KPI 59 – Staff vacancy rate

The Executive Director: Corporate Services indicated that the organisational structure of the municipality required to be refined and that her directorate was in the process of carrying out the task. She added that the staff establishment should be completed and ready for submission to Council by 30 June 2023.

The committee expressed the view that the municipality appeared to have no succession plan in place as many of its elderly staff were retiring at a fast rate. It was therefore agreed that the City Manager should come up with a succession plan for the municipality.

It was also agreed that this item should form part of MPAC’s quarterly reports for oversight purposes.

RESOLVED:

- (a) That the City Manager produces a Succession Plan to strengthen the overall capability of the Municipality.
- (b) That this item form part of MPAC’s quarterly reports for oversight purposes.

KPI 63 – Percentage of municipal payments made to service providers who submitted complete forms within 30 days of invoice submission

It was stressed that most companies had resulted to liquidation due to the municipality not paying its service providers, as such, many companies were hesitant to do business with the municipality.

The Chief Financial Officer indicated that an SOP that would expedite payment of suppliers was being developed and he would sign same by 21 February 2023.

It was agreed that this item should form part of MPAC's quarterly reports for monitoring.

RESOLVED:

That the Chief Financial Officer submits a report on payments made to service providers who submitted complete forms within 30 days of invoice to MPAC's quarterly meetings.

KPI 65 – Percentage of wards that have held at least one Councillor-convened community meetings.

The office of the Chief Operating Officer in conjunction with the Executive Director: Corporate Services were requested to facilitate a workshop to familiarise the Councillors with the requirements of this KPI. This followed after a concern was raised that many Councillors held numerous meetings in their wards, however, that information did not reflect on the report.

RESOLVED:

That the office of the Chief Operating Officer in conjunction with the Executive Director: Corporate Services facilitate a workshop to familiarise the Councillors with the requirements of the KPI relating to the percentage of wards that have held at least one Councillor-convened community meetings.

4.2 Eastern Cape COGTA Indicators for the period ending 30 June 2022

NOTED

4.3 National Treasury Circular 88 Indicators for the period ending 30 June 2022

NOTED

The meeting terminated at 13:50.

CHAIRPERSON

MINUTES OF PROCEEDINGS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

(Meeting held 9 March 2023 – Postponed from 24 February 2023)

PRESENT: Councillor K Ngqisha (Chairperson)

Councillor Best, J S
Councillor Feni, M
Councillor Figg, M J
Councillor Lötter, J M
Councillor Hermaans, F
Councillor Koko, N N
Councillor Mafaya, B N
Councillor Müller, H
Councillor Notshe, X L
Councillor Pegram, B S
Councillor Peter, L
Councillor Qwazi, N
Councillor Steyn, M G
Councillor Van Wyk, I L

ALSO PRESENT: City Manager

Acting Chief Operating Officer (Ms A Dowd-Krause)
Chief Financial Officer
Executive Director : Human Settlements
Executive Director : Public Health
Acting Executive Director : Corporate Services (Adv V Zeelie)
Acting Executive Director : Economic Development, Tourism and
Agriculture (Mr M Pebane)
Acting Executive Director : Sport, Recreation, Arts and Culture (Ms C
Williams)
Acting Executive Director: Safety and Security (Mr W Prins)
Senior Director : Water and Sanitation (Infrastructure and Engineering)
(Mr B Martin)
Senior Director : Electricity and Energy (Mr B Lamour)
Director: Water and Sanitation (Mr J Tsatsire)
Director : Monitoring and Evaluation (Ms M Mrubata)
Director : Office of the City Manager (Ms T Shabudien)
Acting Chief Executive Officer : MBDA (Mr N Mabaso)
Acting Chief Financial Officer : MBDA (Mr Z Khwela)
Acting Operations Executive : MBDA (Ms T Mafu)
Risk Manager : MBDA (Mr K Swart)
Chief Auditor : Internal Audit (Mr A De Wet)
Committee Officer (Mr O Bingwa)

Executive Secretary : Office of MPAC (Ms L Ngaphi)

APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT / APOLOGIES

No applications for leave of absence were received.

DISCLOSURE OF INTERESTS BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT (SCHEDULE 1 OF THE SYSTEMS ACT NO. 32 OF 2000)

No disclosures were made.

DISCLOSURE OF INTERESTS BY OFFICIALS

No disclosures were made.

CONFIRMATION OF MINUTES:

RESOLVED:

That the Minutes of Proceedings of the Municipal Public Accounts Committee at its meeting held on 7 February 2023, 14 February 2023 and 21 February 2023, as circulated, be hereby confirmed.

REPORT BY EXECUTIVE DIRECTOR : CORPORATE SERVICES

5. 2021/22 ANNUAL REPORT OF NELSON MANDELA BAY METROPOLITAN MUNICIPALITY (10/1/1/1) (Item 1 – agenda p. 19)

5.1 Appendices A – S (Volume I)

A query was raised regarding the progress status of electrification of informal settlements.

The Senior Director : Electricity and Energy could not provide an explanation at this stage as he was not in possession of the information at hand and indicated that he would provide a report at the next meeting of MPAC.

The Chairperson expressed his dissatisfaction and indicated that it was unacceptable for the officials to be unable to address questions and concerns when raised. He stated that officials should be well prepared and ready to deal with any issues that arose, particularly relating their directorates.

RESOLVED:

That the Executive Director: Electricity and Energy submits a status quo in respect of undeclared informal electrification.

5.2 MBDA Annual Report (Performance Scorecard)

KPI 2 – Rehabilitating Bayworld

The Acting Chief Financial Officer : MBDA (Mr Z Khwela) explained that the main challenges with regards to the rehabilitation of Bayworld hinged around the fact that the property was owned by the province, while the land belonged to the municipality. He added that any works on the building, which some included revamping of some required approval and funding from the province, which sometimes the process was prolonged. He suggested that the process of rehabilitating Bayworld would be less complicated if the municipality owned the building.

The Acting Chief Executive Officer : MBDA (Mr N Mabaso) indicated that there was some progress, citing that a contractor was appointed to implement one (1) out of thirteen (13) projects. The contractor was on site and the work had commenced. However, he highlighted that a bigger plan was required in order to reach the required funding and to implement to projects holistically.

It was also communicated that the City Manager with the assistance of the Acting Chief Operating Officer had on-going engagements with the MBDA about this project and that a report would be submitted once a comprehensive plan had been established.

The committee agreed that an oversight visit to the Bayworld should be conducted to gain better understanding of the circumstances thereof.

RESOLVED:

That MPAC conducts an oversight visit to the Bayworld to gain better understanding of the circumstances thereof.

KPI 3 – Upgrading of the Helenvale Precinct

The Committee raised the following concerns in respect of this item.

- Disruption of projects.
- Challenges of handing over of projects to NMBM by the MBDA.
- Feasibility of MBDA to operate and manage buildings that have been built and ready but not in the municipality's priority list.

In response, the City Manager explained that it was the mandate of the MBDA did not allow operations and managements of the buildings the entity had built for the municipality.

The Committee requested a list of completed projects (ready buildings) as well as all the current projects the MBDA was implementing.

RESOLVED:

- a) That the MBDA submits a list of complete capital projects (ready buildings) as well the list of all the projects that are currently being implemented.
- b) That MPAC conducts oversight visits to all MBDA's project sites to view progress on the projects.

KPI 5 – Undertaking the beautification of the New Brighton Precinct

Following questions and concerns about the delays in this project, it was indicated that meetings were held with the NMBM to establish which directorate would be the custodian of a Youth Centre for operating and maintenance, and after much deliberation, it was agreed that Sports, Recreation, Arts and Culture would be the custodian. However, SRAC indicated that the directorate had insufficient budget to operate a new facility as they had existing projects that were vandalised and new projects in the pipeline.

The City Manager indicated that the Youth Centre was not necessary in New Brighton as the area was already flooded with similar facilities. She cited that Motherwell and Northern Areas had a dire need for such facilities and suggested that it would make more sense to redirect the project of building the Youth Centre/s in those areas. She added that engagements with the MBDA would continue to establish a way forward and to also clarify a number of confusions in this regard.

NOTED

KPI 6 – Upgrading the Uitenhage Railway

Following questions and concerns about the delays in this project, it was explained that amongst the Covid-19 and SMME's disruptions, the main challenge around this project was the incompetency of the contractor. Upon realising that the contractor was unable to implement the project according to its specifications, the MBDA terminated its contract. It was added that legal action had been taken against the contractor to ensure that the work it was supposed to carry out was carried with no additional costs to the entity. It was also raised that the sheds structures had collapsed, causing delays in the project; this added to project challenges in terms of project implementation as well as halting the consultation process.

The Chairperson commended the MBDA for a decisive action to terminate the contractor and implored the entity to take follow up actions and ensure that the contractor was blacklisted the municipal database. He added that contractor with poor performance should not be allowed to undertake any work for the municipality as it results to extensive unnecessary costs and delays.

The committee at large commended the work done by the MBDA in the financial year 2021/22 and its performance therein.

NOTED

5.3 MBDA Audit Report by the Auditor General South Africa

The Committee raised no issues herein and accordingly expressed its satisfaction with regards to the Audit Report of the MBDA.

NOTED

5.4 MBDA Audited Financial Statements

The Committee raised no issues herein and accordingly expressed its satisfaction with regards to the MBDA's Audited Financial Statements.

NOTED

The meeting terminated at 12:15.

CHAIRPERSON

APPENDIX “B”:

Advertisement/Invitation to the public to comment / attend meetings where the 2021/22 Annual Report will be discussed



PUBLIC HEARING

DRAFT 2021/22 ANNUAL REPORT



Tuesday,
7 March 2023



Feather Market Centre,
86 Baakens Street, Gqeberha
(Near Gqeberha City Hall)



11:00

PUBLIC HEARING: DRAFT 2021/22 ANNUAL REPORT

Members of the public are invited to attend a public hearing on the Draft 2021/22 Annual Report in terms of Section 127(5)(a)(ii) of Local Government: Municipal Finance Management Act, No. 56 of 2003.

Copies of the Draft 2021/22 Annual Report are available for inspection at all municipal libraries and Customer Care Centres, as well as on the Municipal website: www.nelsonmandelabay.gov.za.

For any further enquiries, please contact the Acting MPAC Coordinator:

 **Mr O. Bingwa**
 041 506 3206
 066 484 5838
 obingwa@mandelametro.gov.za



the more clothes on to enter the building. At his trial, he argued the fines infringed on his right

Barcelona have introduced their own laws to regulate nudism — Reuters

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MUNICIPALITY

NOTICE

DRAFT 2021/22 ANNUAL REPORT AND 2022/23 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT OPEN FOR INSPECTION

The Draft 2021/22 Annual Report and the 2022/23 Mid-Year Budget and Performance Assessment Report of the Nelson Mandela Bay Metropolitan Municipality was tabled in Council on 2 February 2023. The Draft 2021/22 Annual Report was subsequently referred to the Municipal Public Accounts Committee (MPAC) for review. The Municipality hereby invites comments from the public on the Draft 2021/22 Annual Report in terms of Section 127(5)(a)(i) of the Local Government: Municipal Finance Management Act, No. 56 of 2003.

Copies of the Draft 2021/22 Annual Report and 2022/23 Mid-Year Budget and Performance Assessment Report are available for inspection at all municipal libraries and Customer Care Centres, as well as on the municipal website: www.nelsonmandelabay.gov.za.

Any comments on the Draft 2021/22 Annual Report and the 2022/23 Mid-Year Budget and Performance Assessment Report should be submitted to the Office of the City Manager (attention: Chief Operating Officer) at PO Box 116, Port Elizabeth, 6000 or email 000@mandelabato.gov.za by no later than **MONDAY, 30 FEBRUARY 2023**.

The schedule of meetings of the Municipal Public Accounts Committee where the Draft 2021/22 Annual Report will be discussed, is as follows:

DATE	TIME	LOCATION
Tuesday, 7 February 2023	11:00	Council Chamber (Gqeberha)
Tuesday, 14 February 2023	11:00	Council Chamber (Gqeberha)
Tuesday, 21 February 2023	10:00	Council Chamber (Gqeberha)
Friday, 24 February 2023	10:00	Council Chamber (Gqeberha)
Tuesday, 7 March 2023	11:00	Feather Market Centre (Gqeberha)
Thursday, 9 March 2023	10:00	Council Chamber (Gqeberha)

Members of the public are welcome to attend any of the scheduled MPAC meetings as observers. The public hearing scheduled for Tuesday, 7 March 2023 will be open for participation from the public.

Ref. 10 – 6 February 2023

Under the hand of the City Manager, Dr Noxoto Nqwazi

TOGETHER WE CAN ADOPT A WATER-SAVING LIFESTYLE

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Preferred qualifications

- Degree/Diploma in
- Project Management

Required experience

- Proven experience
- Proven experience in communities and
- At least 3 years in
- Strong Project Management
- Strong networking
- Knowledge and experience
- Knowledge of how to
- Strong verbal and
- Excellent interpersonal
- Knowledge and experience
- Ability to work collaboratively
- Ability to work collaboratively
- Computer literacy

Contact: If you are interested please forward your CV and references to recruitment@arena.africa

Please note that only shortlisted candidates are previously disadvantaged persons.

If you have not been shortlisted please regard your application as confidential.

In making these appointments, the Employer has no regard to race, gender, religion, age, marital status, disability, sexual orientation, or any other grounds prohibited by the Employment Equity Act of 1998.

Please send your detailed CV and ID to: recruitment@arena.africa

Name of the contact person: Dr Noxoto Nqwazi
Tel: 041 – 393 2100
Email: recruitment@arena.africa

Closing date: 20 February 2023