nelson mandela bay
MUNICIPALITY

## Corporate Services

Your ref:

Our ref: 3/2/2/2

Date: **16 April 2026**

Who deals with this: **N Mahlobo**

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**CIRCULAR NO. 59/2026**

To the Executive Mayor, all Councillors, the Acting City Manager,
the Acting Chief Operating Officer, the Chief Financial Officer and
all Executive Directors and Acting Executive Directors
**NELSON MANDELA BAY METROPOLITAN COUNCIL**

Dear Sirs/Mesdames

**MINUTES OF PROCEEDINGS OF COUNCIL MEETING HELD : 29 JANUARY 2026**

Enclosed herewith for your records is a copy of the Minutes of Proceedings of the Council meeting held on 29 January 2026. **Members must please retain this document for confirmation purposes at the Council's next meeting as it will not be reproduced and included in the Council's next Agenda.**

All Directorates / Offices and Senior Managers are hereby reminded that this document is distributed to them **as an instruction from the Council for the implementation of its resolutions and decisions.** Kindly give effect thereto.

Yours faithfully

**Y MATAKANE-DAKUSE (MS)**
**ACTING EXECUTIVE DIRECTOR :**
**CORPORATE SERVICES**

ENCLOSURE - As stated

16-4-NM/TN

# MINUTES

**of Proceedings of the meeting of the Nelson Mandela Bay Metropolitan Council held in the the Nelson Mandela Bay Stadium, Fettes Road, North End, Gqeberha on Thursday, 29 January 2026 at 10:00.**

## PRESENT

| | | | | |
|---|---|---|---|---|
| **SPEAKER:** | 1. | JOHNSON, E (ANC) | | |
| **COUNCILLORS:** | 2. | ADAMS, T P (DA) | 58. | MINYAYO, L (ANC) |
| | 3. | BASSON, R D (DA) | 59. | MITCHELL, J M (NA) *(MS TEAMS)* |
| | 4. | BELL, A H (ANC) | 60. | MLANGAZI, S N (ANC) |
| | 5. | BEST, J S (DA) | 61. | MLEVE, S (ANC) |
| | 6. | BLAAUW, T F M (DA) | 62. | MNQOKOYI, Z P (EFF) |
| | 7. | BOGGENPOEL, V N (DA) | 63. | MNYANDU, L B (ANC) |
| | 8. | BOOYSEN, L A (DA) | 64. | MOMO, M P (ANC) |
| | 9. | BREAKFAST, M S (DA) | 65. | MONKS, D J S (DA) |
| | 10. | BUYEYE, T C S (AIC) | 66. | MOODLEY, G (DA) *(MS TEAMS)* |
| | 11. | DE ANDRADE, M J (DA) | 67. | MOODLEY, N R (DA) |
| | 12. | DLOVA-NAMPULUMA, N A (DA) | 68. | MOSI, T S (EFF) |
| | 13. | DODA, P T (ANC) | 69. | MPEHLO, K (DA) |
| | 14. | DYANTYI, N (ANC) | 70. | NAMETTE, L (UDM) |
| | 15. | ENGELBRECHT, G J S (DA) | 71. | NDAMSE, L (ANC) *(MS TEAMS)* |
| | 16. | FALDTMAN, G (DA) | 72. | NGABASE, M M (ANC) |
| | 17. | FALTAIN, T (DA) | 73. | NGQISHA, K (EFF) |
| | 18. | FILLIS, S (DA) | 74. | NGWANE, L (ANC) |
| | 19. | GELDERBLOEM, G H (DA) | 75. | NGXENGE, R K (ANC) |
| | 20. | GROBBELAAR, J (DA) | 76. | NKOSI, M M (DA) |
| | 21. | GROOTBOOM, L P (ACDP) *(MS TEAMS)* | 77. | NOMNQA, B (ANC) |
| | 22. | HARINGTON, W B (FF+) | 78. | NOTSHE, X L (ANC) |
| | 23. | HAYSELDEN, D A (DA) | 79. | NQAKULA, N E (ANC) |
| | 24. | HENDRICKS, A C (DA) | 80. | PALI, Y M (ANC) |
| | 25. | HERMAANS, P (DA) | 81. | PEGRAM, B S (DA) |
| | 26. | HIGGINS, N R (DOP) | 82. | PETER, L (ANC) |
| | 27. | JACK, M J (AIM) | 83. | PHEZISA, N (ANC) |
| | 28. | JAMES, P L (EFF) | 84. | QUPE, M B (ANC) |
| | 29. | JIKEKA, W (ANC) (CHIEF WHIP) | 85. | QWAZI, N (EFF) |
| | 30. | JONAS,G F ((PA) | 86. | RAFANI, S (DA) |
| | 31. | KAMANA, M B (PAC) | 87. | RANYELE, I F (ANC) |
| | 32. | KAYSER, R C (DA) | 88. | RAUTENBACH, G (DA) |
| | 33. | KEPE, O H (DA) | 89. | SENEKAL, W (DA) |
| | 34. | KOKO, N N (ANC) *(MS TEAMS)* | 90. | SIDINA, B M (ANC) |
| | 35. | KWATSHA, S (DoP) | 91. | SIJADU, S (DA) |
| | 36. | LAWU, L N (ANC) | 92. | SIKAWUTI, N (EFF) |
| | 37. | LOBISHE, B (ANC) (EXECUTIVE MAYOR) | 93. | STANDER, T (DA) |
| | 38. | LONGBOOI, L Z (ANC) | 94. | STANLEY, A M (DA) |
| | 39. | LÖTTER, J M (ACDP) *(MS TEAMS)* | 95. | STEYN, M G (DA) |
| | 40. | LOVEMORE, A T (DA) | 96. | SWANEPOEL, E F (DA) |
| | 41. | LUDWABE, L R (ANC) | 97. | TAPPAN, S B (DA) |
| | 42. | MABUDA, M (ANC) | 98. | TERBLANCHE, P W (DA) *(MS TEAMS)* |
| | 43. | MABUDA, S M (ANC) | 99. | TITUS, F D (DA) |
| | 44. | MAFANA, T B (ANC) | 100. | TROON, L (GP) |
| | 45. | MAFAYA, B N (ANC) *(MS TEAMS)* | 101. | TSOTSO, Z P (ANC) |
| | 46. | MAJOLA, M J (ANC) *(MS TEAMS)* | 102. | TUKANI, S (DA) |
| | 47. | MAKHWENKWE, N (ANC) | 103. | VAN DE LINDE, F A (DA) |
| | 48. | MAKUNGA, M L (ANC) | 104. | VAN DER WESTHUYZEN, A (DA) |
| | 49. | MAKWETU, L N (ANC) | 105. | VAN NIEKERK, G S (NA) (DEPUTY EXECUTIVE MAYOR) |
| | 50. | MANI, K A (ANC) *(MS TEAMS)* | 106. | VAN WYK, I L (DA) |
| | 51. | MAQULA, G D (ANC) | 107. | VANI, P B (ANC) |
| | 52. | MASWANA, N I (ANC) | 108. | VASCO, Z (DA) |
| | 53. | MATENJWA, B (ANC) | 109. | VENCENCIE, R C (FF+) |
| | 54. | MBAMBO, N M (ANC) *(MS TEAMS)* | 110. | VINQI, X M (ANC) *(MS TEAMS)* |
| | 55. | MEYER, R (DA) | 111. | VON BUCHENRODER, M R (DA) |
| | 56. | MFANA, L (ANC) | 112. | WALA, N (EFF) |
| | 57. | MIGGELS, G G (DA) | 113. | WOLF, B F (DA) |
| | | | 114. | YANIE, C (EFF) |
| | | | 115. | ZINTO, M ((DA) |
| : | | | | |

The Council observed a moment of contemplation after the arrival of the Speaker.

The Speaker welcomed the Executive Mayor and Members of the Mayoral Committee (MMCs), the Chairpersons of Section 79 Committees, all Councillors, the Acting City Manager, the representatives from the Office of the Auditor-General, and members of the public and the media. Thereafter, at the Speaker's request, Prophet Brown led the Council in a brief devotion service.

## SECTION 1 - APPLICATIONS FOR LEAVE OF ABSENCE IN TERMS OF PARAGRAPH 3 OF THE CODE OF CONDUCT

None.

## SECTION 2 - DISCLOSURE OF INTEREST BY COUNCILLORS IN TERMS OF PARAGRAPH 5 OF THE CODE OF CONDUCT

No disclosures were made.

## SECTION 3 - DISCLOSURE OF INTEREST BY OFFICIALS

No disclosures were made.

## SECTION 4 - STATEMENTS OR COMMUNICATIONS BY SPEAKER

The meeting observed a moment of silence in honour of school children who had lost their lives. The Speaker further noted that a report on Municipal Public Account Committee would be removed, and that some items would be deferred and withdrawn, and that this would be communicated when adopting the agenda.

The Speaker reminded Councillors of outstanding declaration forms for the year that were still to be submitted. A warm welcome was extended to representatives from the Auditor General, who would present on the Municipality's audit outcomes and findings.

She added that regarding Council Remuneration, the Government Gazette that would enable the MEC to make comments was not finalized, but there was hope for finalization in February 2026. The Speaker urged Councillors to settle their municipal accounts and noted that failing to do so would be a violation of the code of conduct.

**Resolved:**

That all items, including those deferred and withdrawn by the Executive Mayor at the prior Council meeting held on 4 December 2025, would be considered at the next Council meeting scheduled for 25 February 2026.

## SECTION 5 - INTERVIEWS WITH DEPUTATIONS

- Mr Thobile Ntetha from the EC Auditor General presented the outcomes of the Audits and summarising the detailed qualified Audit report of the NMBM, a copy of which is attached as Annexure "A" to these minutes and were forwarded to all Councillors for reference.

### Audit Action Plan

The Acting City Manager introduced Mr Luyanda Ndeya, an official seconded by the Member of the Executive Council (MEC) COGTA-EC as a component of the Section 154 support package to the Municipality who presented the Action Plan for the NMBM.

He further explained that they decided to change their approach to address long-standing challenges and there had been cooperative engagements between the municipal officials and Section 154 Support officials in December 2025 and January 2026 to prepare reports for the presentation of critical matters to Council.

Mr Ndeya presented the Audit Acting Plan for the Municipality.

The following inputs/comments were raised by Councillors on the Auditor General's (AGSA) report and the presentation of the Action Plan.

- Consistent officials to be appointed to maintain a good service delivery to the communities.
- The speaker enquired whether UIFW expenditure was listed as a root cause as reports from officials were incompetent, highlighted that at the last MPAC meeting, only three reports were received and were incompetent.
- The speaker stated that the figures were not just numbers on paper; they represented lost revenue, compromised service delivery, and failure to safeguard public resources. This raised serious questions about plans put in place, whether due to a lack of capacity/skills or to the failure of plans year after year, suggesting something fundamental was broken in leadership, oversight, or consequence management.
- The Freedom Front Plus indicated that they would submit their feedback on the Auditor General's report.

### Response from Auditor General

The Auditor General indicated that all comments/issues raised by Councillors were noted. Further stated that MPAC should be capacitated, and the poor quality of the audit report, which affects the service delivery, would be evaluated.

*The meeting adjourned for a break at 13:30 and resumed at 15:10.*

## SECTION 6 - CONFIRMATION OF AGENDA

The agenda was adopted by Councillors, including the motions and amendments made.

## SECTION 7 - STATEMENTS BY EXECUTIVE MAYOR

A copy of the Executive Mayor's statement as delivered by the latter at this meeting of the Council is attached to these Minutes as Annexure "A ".

The Executive Mayor presented her reports as contained in Sections 9, 10 and 11 of the Agenda, and pointed out that various Items contained therein would be withdrawn / deferred for further consideration or amended as reflected hereunder.

The following inputs were made by Councillors on the Executive Mayor's Speech:

- That recent infrastructure failures exposed structural neglect and underinvestment in essential services. However, restoring power within 5 days showed that a people-oriented government can achieve more.
- That a collective approach was crucial to address the water crisis, in the metro and that fixing water leaks and improving processes should be prioritised.
- That the electricity outages were affecting communities, and the Executive Mayor should account to residents, reassurance would be provided during crises, especially regarding critical services like electricity supply. While welcoming the speech, the EFF wanted a key placed on the record to ensure residents of Nelson Mandela received a complete and honest account of efforts to stabilise the metro's electricity infrastructure.
- That the service delivery failures had paralyzed large sectors of the community. This wasn't due to natural causes or weak infrastructure, but due to expired contracts, unresolved tender issues, and a lack of accountability. Steam drives weren't maintained, sewerage systems were unattended, animal control services were compromised, and roads deteriorated. These were basic responsibilities of the administration, and they had not been fulfilled.
- The speaker commented that the past electricity outages were impacting the water supply services. She urged residents to be vigilant and protect infrastructure from vandalism, as it impacted the service of water quality. Over the past two weeks, the water distribution system was strained by high demand, causing deficiencies.
- An appeal was made for residents to limit usage to 50 litres per household daily, as the effect of the drought was still apparent.

**Response from the Executive Mayor**

The Executive Mayor emphasized the responsibility of residents to adhere to the limit of water usage to 50 litres, noting this message had been constant since 2009. She further appealed for a social complex to help conserve water, and that the Infrastructure and Engineering Directorate lacked the means to address water challenges.

Additionally, she stated that the Greenbushes electricity towers were never part the maintenance plan of the directorate and organised crime was deliberately tampering with the infrastructure to benefit businesses.

The municipality had prioritized maintaining infrastructure, reflected in the budget, allocating R132 million for repair, maintenance, and engineering. She emphasized that the absence of councillors during budget consultations to prioritise community-based interventions had not taken place.

## SECTION 8 - REPORT BY SPEAKER OF COUNCIL [AGENDA PAGES 6 - 7]

**RESOLVED:**

That the report be received.

ITEM 1. PAGE 6 – Report on revised policies and final draft standing Rules of Order - Withdrawn.

The Item was **WITHDRAWN**.

## SECTION 9 - REPORT BY EXECUTIVE MAYOR [AGENDA PAGES 10 - 55]

**RESOLVED:**

That the report be received.

ITEM 1; PAGE 10 – Report on Draft 2024/25 Annual Report of Nelson Mandela Bay Metropolitan Municipality – Noted

The Executive Mayor presented the report, and it was,

**RESOLVED:**

(a) That the draft 2024/25 Annual Report be noted.

(b) That the Draft Annual Report be submitted to the Municipal Public Accounts Committee (MPAC), whereafter the Oversight report on the 2024/25 Annual Report by the Municipal Public Accounts Committee (MPAC) be submitted to Council for adoption by 31 March 2026.

(c) That the Draft 2024/25 Annual Report be publicised for public comments.

ITEM 2; PAGE 12 – Report on Critical / Urgent Adjustments Budget Relating to the 2025/26 Urban Settlement Development Grant (USDG): amendment of the 2025/26 USDG Business Plan – Withdrawn.

The Item was **WITHDRAWN.**

ITEM 3; PAGE 27 – Appointment of the Acting City Manager - Deferred for Council In-Committee

## SECTION 10 - REPORT BY ACTING CITY MANAGER [AGENDA PAGES 58 - 69]

**RESOLVED:**

That the report be received.

ITEM 1; PAGE 58 – Report on Unauthorised expenditure upon conclusion of the 2024/25 audit by the Auditor-General South Africa (AGSA) being attended to in terms of regulation 23(6)(b) of the Municipal Budget and Reporting Regulations - Adopted

**Resolved:**

That Council, **by resolution taken by the majority of its full number** in terms of Section 30(2) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended) read in conjunction with Regulation 23(6)(b) of the Municipal Budget and Reporting Regulations (No. 32141 dated 17 April 2009), approved a Special Adjustments Budget to authorise the unauthorised expenditure incurred relating to non-cash flow items under Budget and Treasury and Water resulting from debt impairment – receivables and to authorise the unauthorised expenditure incurred relating to cash flow items under the Nelson Mandela Bay Stadium resulting from the overall expenditure during the 2024/25 financial year as follows:

(a)

| Expenditure Items | Expenditure R |
|---|---|
| Debt Impairment – Receivables | 1 630 812 572 |
| **Total Non-cash flow items** | **1 630 812 572** |

| Expenditure Items | Expenditure R |
|---|---|
| Overall Expenditure | 18 422 276 |
| **Total Cash flow items** | **18 422 276** |

(b)

| Votes | Expenditure R |
|---|---|
| Budget and Treasury | 66 858 571 |
| Water | 1 563 954 001 |
| **Total** | **1 630 812 572** |

| Votes | Expenditure R |
|---|---|
| Nelson Mandela Bay Stadium | 18 422 276 |
| **Total** | **18 422 276** |

## NOTICE OF MOTIONS

ITEM 2.1; PAGE 63 – Councillor L Troon - Council in terms of Rule 25 of Rules of Order: Review and Reform of Labour Litigation Practices and Legal Costs - Adopted

Councillor Troon presented his Motion, seconded by Councillor Namette.

The Chief Whip mentioned that an Audit Action Plan addressing gaps had been presented and endorsed by Council. The issues raised by Councillor Troon were contained in that Action Plan during caucusing; they would've supported his motion, but having adopted the Action Plan, they suggested implementing it, addressing the issues. If outcomes weren't achieved, they'd revisit the Action Plan to cover Councillor Tron's issues

Councillor Namette supported Councillor Troon's motion and agreed that it was progressive, and further supported the Chief Whip's statement. He further noted Council was custodian of the report, agreeing it would return to Council, alongside implementing the Audit Action Plan, so councillors knew labour's progress.

ITEM 2.2; PAGE 64 – Councillor O Kepe - Motion in terms of Rule 25 of Rules of Order: Streetlight Corruption, Accountability and Recovery of Public Funds - Adopted

Councillor Kepe presented his motion, seconded by Councillor Namette

Councillor Namette supported the motion and stated that there was nothing wrong with the motion itself but disagreed with recommendations (a) to (d) as reflected in the motion:

He further pointed out that recommendation (a) suggested suspension of an official without a corresponding report, which was not agreed to. He further supported recommendations reflected as (e), (f) and (g) in the motion.

Councillor Namette emphasised that a process of investigation before charging or suspending officials was a prerequisite.

The Acting City Manager clarified that the matter of streetlights was not sub judice.

ITEM 2.3; PAGE 64 – Councillor O Kepe - Council in terms of Rule 25 of Rules of Order: Failure to Implement Streetlight Repairs and urgent Interventions Required - Adopted

Councillor Kepe presented his motion.

**RESOLVED:**

That the motion be referred as an item to be considered by the Electricity and Energy Standing Committee.

ITEM 3; PAGE 66 – Report on the Remuneration of the Chief Financial Officer (CFO) - Deferred for Council In-Committee

ITEM 4; PAGE 69 – Motion in terms of Rule 25 of Rules of Order - Councillor G Maqula - Deferred for Council In-Committee

**SECTION 11 - MATTERS OF PUBLIC IMPORTANCE**

No requests in terms of Rule 27 were received.

**ADDITIONAL MOTION – TABLED**

ITEM 2.4 Motion in terms of Rule 25 of Rules of Order - Councillor - The Society for the Prevention of Cruelty to Animals (SPCA)

A motion submitted by Councillor Lovemore was tabled at the meeting, a copy of which is attached as **Annexure "A"** to these minutes.

Councillor Lovemore presented her motion.

After further discussions, the Speaker put the motion to a vote as follows:

**COUNCILLOR LOVEMORE'S RECOMMENDATION PUT AND DECLARED LOST**
**(50 Votes "For"/ 56 Votes "Against")**

## FIRST SUPPLEMENTARY AGENDA : 29 JANUARY 2026

**SECTION 12 - FIRST SUPPLEMENTARY REPORT BY SPEAKER OF COUNCIL [FIRST SUPPLEMENTARY [AGENDA PAGES 4 - 23]**

**RESOLVED:**

That the report be received.

The Speaker stated that Item 1 – Report by Municipal Accounts on Unauthorised Irregular or Fruitless and Wasteful Expenditure was, Withdrawn.

ITEM 1.1; PAGE 4 – Services Rendered by House of XYZ (R89'300.00), Aristowaves (26'000.00, Tim Kos Transport (R190'200.00) & Masinga Manufacturing T/A MCM Catering (R136'652.50) for the 2025 Human Rights Day Event Was Secured Without Required Authority - Withdrawn

The Item was **WITHDRAWN.**

ITEM 1.2; PAGE 6 – Services Provided by Four Companies Aristowave (R20'650.00), Tim Kos Transport (R37'800.00), House of XYZ (R41'000.00) and Lillian Ngoyi (R2076.00) For 2024 International Anti-Corruption Day - Withdrawn

The Item was **WITHDRAWN.**

ITEM 1.3; PAGE 8 – Report on Unauthorized Expenditure Related to the Public Community Meeting with the Executive Mayor and the Troika, Scheduled For 5,6 And 10 March 2025 - Withdrawn

The Item was **WITHDRAWN.**

ITEM 1.4; PAGE 10 – House of XYZ (R119'900.00), Aristowave (R37'700.00), Tim Kos Transport (R45'000.00), Babs Madlakane Hall (R271.54) & Nangoza Jebe Hall (R1'132.00) for Public Viewing Area in Support of the Eastern Cape State of The Province Address Scheduled - Withdrawn

The Item was **WITHDRAWN.**

ITEM 1.5; PAGE 12 – Report on Unauthorised Expenditure in Respect of 2025 NMBM Freedom Day Event Scheduled for 28 April 2025 - Withdrawn

The Item was **WITHDRAWN.**

ITEM 1.6; PAGE 14 – Loud Hailing Services Provided by House XYZ Pty Ltd in the Amount of R48 600.00 - Withdrawn

The Item was **WITHDRAWN.**

ITEM 1.7; PAGE 16 – The Provincial Legislative Office Required a Public Viewing Area in Support of the Official Opening of the Provincial Legislature for the 7th Administration Scheduled for 1 August 2024 - Withdrawn

The Item was **WITHDRAWN.**

ITEM 1.8; PAGE 18 – Construction of Temporary Structures for Human Settlements in Response to the Covid-19 Pandemic - Withdrawn

The Item was **WITHDRAWN.**

## SECTION 13 - FIRST SUPPLEMENTARY REPORT BY THE EXECUTIVE MAYOR [FIRST SUPPLEMENTARY AGENDA PAGES 26 - 28]

**RESOLVED:**

That the report be received.

ITEM 1; PAGE 26 – Intention to do Donation to NMBM – Building of Alternative Housing Solution - Withdrawn

The Item was **WITHDRAWN.**

ITEM 2; PAGE 28 – Report on 2025/26 Mid-Year Budget and Performance Assessment Report - Noted

The Democratic Alliance and ACDP raised numerous concerns related to the performance of Key Performance Indicators (KPI) 1 to 5.

Councillor Booysen mentioned that the mid-year report was deemed disappointing as it measured performance up to 31 December. He further stated that since the ANC-EFF coalition took over, the municipality faced repeated disasters due to an apparent vacuum in the Executive Mayor's office.

He further stated that there was no vision or direction that had resulted in scattered responses to crises and that communities had suffered days without water and electricity.

He continued by indicating that the Executive Mayor lacked concrete plans to address the Northern Areas not being provided with adequate water supply and that there were inadequate water trucks that resulted in communities having to obtain water themselves. The Executive Mayor and the administration were not visible to assist communities that had suffered alone.

Councillor Maqula stated that the mid-term report should have preceded the Auditor General's action plan, which responded to issues in the mid-term review. He appreciated a newly appointed chartered accountant in Supply Chain that was expected to provide support to the SCM Unit. Various interventions were noted in the Directorates for improvement. He was further hopeful that the Auditor General's action plan addressed concerns and expressed optimism about improving with the presented support.

The Executive Mayor further pointed out that the performance of the municipality had been identified and appropriate interventions implemented, highlighting the following matters to be addressed:

- Financial performance under the previous Mayor was reviewed. In 2022/23, overall performance was 49%; 2023/24 reached 63%; 2024/25 dropped to 51%. Mid-year 2025/26 stood at 26%, comparable to 34% at full year. Reasons included stopping half of the evergreen contracts to lower UIFW Expenditure, causing a 3-month service delay pending new contracts. However, 80% performance was expected by year-end, driven by new contracts and a focus on the action plan.

- Committed to Council to address service delivery contracts, prioritizing infrastructure engineering, which required attention due to deviations, negligence, and unaccountability. The fleet department, core to infrastructure, was highlighted; a lack of vehicles hindered service delivery. The speaker had already written to the city manager, demanding a 7-day turnaround on fleet management and supply chain accountability. The Speaker requested that the City Manager inform the speaker, before stepping down, of the letter's date and the expiry of the 7 days, to enable reporting and a forensic investigation into the fleet and supply chain. Delays in awarding contracts (e.g., 12 months) due to "tossing and turning" documents were noted, hindering progress.

- Meetings were held with all Executive Directors to address vacancies and to capacitate departments for service delivery. Corporate Services had not adhered to directives; posts above grade 4 were to be advertised electronically to minimize manipulation and streamline employment processes. Manual processes were criticized for delaying post closure and processing.

In conclusion, the Executive Mayor pleaded to the Minister and Council to support the adoption of the Section 154 support package, arguing that administratively, the municipality was collapsing due to a lack of direction. Adoption of the Section 154 support injected hope, revived officials, provided direction, and unified efforts. Councillors were reminded that it was a mid-term report

In response, the Acting City Manager confirmed receipt of written instructions from the Executive Mayor to conduct a forensic investigation into collapses in the Supply Chain Management Unit and fleet management, which was completed by 1 January 2026 and the interventions were being implemented.

**Resolved:**

(a) That the Municipality's consolidated (including the Entity) Mid-year Budget and Performance Assessment Report as of 31 December 2025, prepared in line with Section 72 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, be noted; and

(b) That Council noted that this report represents the financial and non-financial results for the first six months of 2025/26 financial year.

## ADDITIONAL ITEM – REPORT BY THE EXECUTIVE MAYOR

ITEM 1;– Adjustments budget for the amendment of the 2025/26 upgrading of Informal Settlements Partnership Grant (ISUPG) business plan and budget to accelerate expenditure - Noted

EXECUTIVE MAYORS' RECOMMENDATION PUT (Votes “For” 60) (Votes “Against” 45)

Councillors highlighted numerous concerns regarding the intention of the item to procure 2 (two) transformers at a cost of R37,053,350, whereas an unutilized transformer to the value of R25 million was approved to be leased by the former ACM during the 2025 financial year to a private business.

The Executive Director: Human Settlements responded to the concerns as follows:

The Executive Director: Human Settlements discussed the current financial position, highlighting that it was the 7th month of the financial year. The municipality had evaluated its performance and was considering adjusting the budget, as allowed three times in the financial year.

He further mentioned that the National Treasury had indicated its intention to withhold the third tranche of the Grant allocation, and that the municipality was required to respond by identifying performing and non-performing projects.

A major issue had arisen with the requirement for a 24G application for water and sanitation projects, which had delayed implementation and impacted project timelines. Funds were being transferred from non-performing projects to those that were progressing.

The municipality had applied for a rollover of the Grant and was committed to spending its allocated budget. Projects were not in the business plan could not be implemented, and funds were being reallocated to projects in the 2025-26 financial year business plan.

He further stated that Council would be informed of the affected projects to would be included in future business plans.

It was noted that the item required a recommendation to be taken by the full majority of Council, of 61 votes, and therefore, the recommendation as follows did not carry:

"

*(a) That Council by resolution taken by the majority of its full number, and in terms of Section 30 (2) of the Local Government: Municipal Structures Act, No. 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government Finance Management Act No 56 of 2003, and Clause 1.6 of the Council's Financial Management Policies, amend the approved 2025/26 Budget relating to the affected ISUPG funded projects and rectify the budgets for smart meters and service connections, as presented in the following Table: -*

| VOTE/PROJECT ID NUMBER | PROJECT DESCRIPTION | APPROVED BUDGET (INCL VAT) | EXPENDITURE AS AT 31 DECEMBER 2025 (INCL VAT) | DECREASE/INCREASE BY "R") (INCL VAT) | FROM "R" (INCL VAT) | TO "R" (INCL VAT) | Contracts to be used |
|---|---|---|---|---|---|---|---|
| 1754 6465 | Sanitation: Construction of Communal Ablution Facilities | 19,000,000 | - | -19,000,000 | 19,000,000 | 0,0 | Not applicable |
| 20210341 | E&E Bulk infrastructure establish New Sub Station -Booysens Park - Joe Slovo (Ward 36) | 27,000,000 | 13,497,349.91 | 19,000,000 | 27,000,000 | 46,000,000 | SCM 1149/G has been awarded. Contract ending on 22 October 2028 |
| 20230105 | Bethelsdorp Ext 32,34,36 - Roadworks(Human Settlements) | 8,000,000 | 252,525.65 | -7,747,470 | 8,000,000 | 252,530 | Not applicable |

| VOTE/PROJECT ID NUMBER | PROJECT DESCRIPTION | APPROVED BUDGET (INCL VAT) | EXPENDITURE AS AT 31 DECEMBER 2025 | DECREASE/INCREASE BY "R") (INCL VAT) | FROM | TO | Contracts to be used |
|---|---|---|---|---|---|---|---|
| 20210341 | E&E Bulk infrastructure establish New Sub Station -Booysens Park - Joe Slovo (Ward 36) | | | 7,747,470 | 46,000,000 | 53,747,470 | SCM 1149/G has been awarded. Contract ending on 22 October 2028 |
| 20230106 | Bethelsdorp Ext 32,34,36 - Stormwater Reticulation | 2,700,000 | 108,578.38 | -2,591,420 | 2,700,000 | 108,580 | Not applicable |
| 20210341 | E&E Bulk infrastructure establish New Sub Station -Booysens Park - Joe Slovo (Ward 36) | | | 2,591,420 | 53,747,470 | 56,338,890 | SCM 1149/G has been awarded. Contract ending on 22 October 2028 |
| 20250130 | Motherwell NU 30 Ph4 - Roadworks (Human Settlements) | 4,784,403 | - | -4,132,090 | 4,784,403 | 652,313 | Amount left relate to Authority to pay that is prepared by Human Settlement Development and Support |
| 20210341 | E&E Bulk infrastructure establish New Sub Station -Booysens Park - Joe Slovo (Ward 36) | | | 4,132,090 | 56,338,890 | 60,470,980 | SCM 1149/G has been awarded. Contract ending on 22 October 2028 |
| 20250131 | Motherwell NU 30 Ph4 - Stormwater Reticulation | 1,794,150 | - | -1,655,860 | 1,794,150 | 138,290 | Amount left relate to Authority to pay that is prepared by Human Settlement Development and Support |
| 20210341 | E&E Bulk infrastructure establish New Sub Station -Booysens Park - Joe Slovo (Ward 36) | | | 1,655,860 | 60,470,980 | 62,126,840 | SCM 1149/G has been awarded. Contract ending on 22 October 2028 |
| 20220119 | Waste - Fencing of Arlington disposal site | 28,031,675 | 17,468,151.01 | -1,926,510 | 28,031,675 | 26,105,165 | Not applicable |

| VOTE/PROJECT ID NUMBER | PROJECT DESCRIPTION | APPROVED BUDGET (INCL VAT) | EXPENDITURE AS AT 31 DECEMBER 2025 | DECREASE/INCREASE BY "R") (INCL VAT) | FROM | TO | Contracts to be used |
|---|---|---|---|---|---|---|---|
| 20210341 | E&E Bulk infrastructure establish New Sub Station -Booysens Park - Joe Slovo (Ward 36) | | | 1,926,510 | 62,126,840 | 63,053,350 | SCM 1149/G has been awarded. Contract ending on 22 October 2028 |
| 20220119 | Waste - Fencing of Arlington disposal site | | | -5,000,000 | 26,105,165 | 21,105,165 | Not applicable |
| 20170022 | Undeclared Informal Electrification-Bayland | 46,600,000 | 22,471,813 | 5,000,000 | 46,600,000 | 51,600,000 | Contract ending 1/05/2026 |
| 20220119 | Waste - Fencing of Arlington disposal site | | | -1,569,140 | 21,105,165 | 19,536,025 | Not applicable |
| 20200337 | E&E - Mabandla MV Upgrade | 1,500,000 | 1,500,000 | 1,569,140 | 1,500,000 | 3,069,140 | SCM/18-33/C - Contract appointed on 19/12/2025 through deviation for a period of 6 months |
| 20250235 | 2026 ISUP-construction of roads-Bethelsdorp ext 32,34 and 36 | 20,000,000 | - | -5,000,000 | 20,000,000 | 15,000,000 | Not applicable |
| 20170022 | Undeclared Informal Electrification-Bayland | 46,600,000 | | 5,000,000 | 46,600,000 | 51,600,000 | Contract ending 1/05/2026 |
| 20250235 | 2026 ISUP-construction of roads-Bethelsdorp ext 32,34 and 36 | 20,000,000 | - | -15,000,000 | 20,000,000 | 0,0 | Not applicable |
| 20230307 | 2024 ISUP - Joe Slovo Ward 41 Construction of Roads | 20,000,000 | 15,647,653.38 | 15,000,000 | 20,000,000 | 35,000,000 | SCM/20-28 contract ending on 02/03/2026 |
| 20260029 | 2025 ISUP - Motherwell NU12 (Area B) - construction of roads - Ward 54 | 20,000,000 | 0,0 | -20,000,000 | 20,000,000 | 0,0 | Not applicable |

| VOTE/PROJECT ID NUMBER | PROJECT DESCRIPTION | APPROVED BUDGET (INCL VAT) | EXPENDITURE AS AT 31 DECEMBER 2025 | DECREASE/INCREASE BY "R") (INCL VAT) | FROM | TO | Contracts to be used |
|---|---|---|---|---|---|---|---|
| 20240309 | 2025 ISUP-Khayamnandi - Nonkwiniza,Sakhisizwe, Ngcezi ward 41 | 20,000,000 | 16,667,928.42 | 20,000,000 | 20,000,000 | 40,000,000 | SCM/20-28 contract ending on 02 /03/2026 |
| 20250264 | Rehabilitation of Ekuphumleni Multi Purpose centre | 2,499,997 | 0,0 | -2,000,000 | 2,499,997 | 499,997 | Not applicable |
| 20230307 | 2024 ISUP - Joe Slovo Ward 41 Construction of Roads | | | 2,000,000 | 35,000,000 | 37,000,000.00 | SCM/20-28 contract ending on 02 /03/2026 |
| 20230012 | Sanitation: Construction of Communal Ablution Facilities | 5,500,000.00 | 387,799.92 | -2,970,000 | 5,500,000 | 2,530,000 | Not applicable |
| 20230307 | 2024 ISUP - Joe Slovo Ward 41 Construction of Roads | | | 2,970,000 | 37,000,000.00 | 39,970,000 | SCM/20-28 contract ending on 2/03/2026 |

*(b) That it be noted that the above amendments or changes will be incorporated in the 2025/26 Adjustments Budget to be tabled to Council on or before end February 2026."*

*The meeting adjourned for a break at 18:50 and resumed at 19:15.*

The Council moved In-Committee at 19:15.

**SPEAKER**