

No. 31

MINUTES

OF

ETHEKWINI MUNICIPAL COUNCIL

Special meeting held on Wednesday, 2018-02-28T12:00,
City Hall Main Auditorium, Church Walk, Durban

PRESENT : Councillors WL Mapena (Speaker), F Peer (Deputy Mayor), MA Ally, J Annipen, S Aslam, A Beetge, S Bhanprakash, MPN Bhengu, MC Bhengu, NC Biyela, M Brauteseth, S Brijmohan, WJD Burne, SS Butelezi, VP Caluza, H Cele, NT Cele, J Chetty, BA Chili, TJT Cibane, R Cloete, TP Collins, M David, HU De Boer, SV De Boer, GT De Lange, MAK Dladla, AN Dlamini, CB Dlamini, JA Dlamini, SB Dlamini, SR Dlamini, MP Dlomo, BA Fortein, VE Gebashe, HD Goge, G Govender, S Govender, Y Govender, NL Graham, PJC Graham, BR Gumede, NC Gumede, NP Gumede, TR Gumede, ZD Gushu, MS Gwala, MH Haniff, GJ Hegter, NP Hlomuka, RC Hlophe, S Hoosen, NB Hoosman, NB Iyir, JA Johnson, M Johnson, SA Kaunda, KNN Khubone, JS Khuboni, PZ Khumalo, HL Khubisa, NL Khuzwayo, S Khuzwayo, ZW Khuzwayo, SNC Khwela, CJ Laing, CB Langa, P Luthuli, TJ Luthuli, MT Mabaso, NI Madlala, A Maharajh, B Majola, TG Makhanya, ZP Makhanya, MW Manqeke, SD Maphumulo, PM Mbambo, V Mbanjwa, AM Mbele, FW Mdletshe, LM Meyer, P Mfeka, K Mhlaba, GN Mhlongo, SE Mhlongo, AZ Mkhize, BA Mkhize, HGB Mkhize, KV Mkhize, MM Mkhize, MP Mkhize, S Mkhize, SM Mkhize, SM Mkhwanazi, PS Mncube, SB Mngadi, SV Mngadi, NE Mnguni, BV Mngwengwe, LN Mngwengwe, SR Moodley, S Moonsamy, B Mpanza, SB Mpanza, SNL Mshengu, LG Mthembu, M Mthembu, MGF Mthembu, TM Mthethwa, N Munien, AB Mvubu, RM Mzobe, BD Naidoo, J Naidoo, M Nair, X Nala, PL Ncayiyana, BP Ndlela, AB Ndlovu, PB Ndlovu, MK Ndzimbomvu, ZS Ndzoyiya, AS Ngcobo, S Ngema, MM Ngiba, TT Ngubane, SJM Nhlapho, M Nojiyeza, DR Nowbuth, GM Noyce, B Ntshangase, PC Ntshangase, PB Ntuli, PH Nxumalo, NP Nxumalo, W Nyaba, NN Nyanisa, MS Nyawose, CJ Pappas, BW Phewa, JP Phewa, TK Phohlo, B Phungula, D Pillay, DR Pillay, KR Pillay, P Pillay, GDA Pullan, BR Qhantsi, MD Qwabe, A Ramkissoo, A Rampersad, S Ryley, S Sewshankar, AN Shabalala, B Shabane, MG Shange, SG Shange-Dlamini, MT Shelembe, ES Shezi, MC Shezi, VH Shezi, DM Shozi, HP Shozi, M Sibisi, PN Sikhosana, B Singh, EL Singh, Sagar Singh, Samier Singh, PS Sishange, NI Sithole, AD Snyman, ZR Sokhabase, M Tembe, JB Thabethe, S Thango, JC Van den Berg, SM Windvogel, C Xesibe, MC Xulu, TV Xulu, NY Young, BM Zulu, GB Zulu, MBR Zuma, TM Zuma, TG Zungu and MH Zwane.

ABSENT : Councillors ZRT Gumede (Mayor) (On leave – Municipal business), T Biyela (On leave – Indisposed), RJ Crouch, R Gokool (On leave), DM Khanyile, ES Khanyile (On leave), TN Mabanga (On leave – Indisposed), NZ Maluleka, RD Macpherson, SM Mdlalose (On leave – Indisposed), TP Mfusi (On leave), MB Mjadu (On leave – Indisposed), MM Mkhize (On leave), ZM Mncwango (On leave), E Mngadi (On leave – Indisposed), LC Mnguni (On leave),

B Msomi, MM Mthembu (On leave – Municipal business), NE Mthembu (On leave – Indisposed) ON Mthembu (On leave – Indisposed), TT Mthiyane, BS Ngiba, MS Nkosi (On leave), SC Ntshangase (On leave – Indisposed), BT Ntuli (On leave), TT Nzuza, JP Prinsloo (On leave – Municipal business), BP Shozi, N Sibiya and WM Thring,

AMAKHOSI

PRESENT : Inkosi EB Shozi.

AMAKHOSI

ABSENT : Inkosi BF Bhengu (On leave), Inkosi VR Cele (On leave), Inkosi TF Gwala, Inkosi NM Hlengwa (On leave), Inkosi PP Luthuli (On leave), Inkosi KS Makhanya, Inkosi NC Maphumulo (On leave), Inkosi DZ Mkhize (On leave), Inkosi LD Mkhize (On leave), Inkosi KT Mkhize (On leave), Inkosi TBE Mkhize, Inkosi S Mlaba (On leave), Inkosi RF Mthembu (On leave), Inkosi MB Ngcobo and Inkosi JP Shangase (On leave).

OFFICIALS

PRESENT : Messrs/Mesdames SC Nzuza (City Manager), S Shezi (Acting Head: Legal Services and Compliance), M Mthiyane (Deputy Head: Legal Support, Legal Services and Compliance), BM Mhlongo (Deputy Head: Office of the Speaker), KR Ramsunder (Chief Committee Officer) and S Ramgolam (Principal Committee Officer).

(At the commencement of the meeting 187 Councillors were present, comprising ANC – 116, DA - 55, IFP – 5, EFF - 0, INDEPENDENT - 3, AIC - 3, ACDP – 0, MF - 1, DLC - 1, TA - 0, MOSA – 1, APC - 1 and AL JAMA-AH - 1).

1. NOTICE CONVENING THE MEETING

The City Manager read the Notice convening the meeting as per the statutory requirement.

2. OPENING

The Speaker declared the meeting open and extended a warm welcome to the Deputy Mayor; Members of the Executive Committee; Honourable Councillors and Traditional Leaders present; City Manager; Deputy City Managers and Heads present; Legal Services and Compliance officials; Media; Members of the Public; Distinguished Guests and Members of the Administration to this special meeting of the Council.

He expressed concern that some of the Deputy City Managers were not in attendance despite his request at the previous meeting for all Deputy City Managers to be in attendance at all Council meetings.

3. AFRICAN UNION AND NATIONAL ANTHEM

At the request of the Speaker the meeting stood to sing the African Union Anthem and the National Anthem of the Republic of South Africa.

4. OPPORTUNITY FOR PRAYER/MEDITATION

The Speaker requested Council to observe a moment's silence for all those who had passed on.

5. OFFICIAL ANNOUNCEMENTS

The Speaker advised Council that Her Worship the Mayor was attending the opening of the Provincial Legislature and would not be in attendance at today's special meeting of Council.

He thereafter reminded Councillors of the postponement of the March Council meeting from the 22nd to the 28th. He indicated that the purpose of the postponement was to allow all Committees to conclude their business before the Council recess which was scheduled to begin on 29 March 2018.

He also reminded Ward Councillors of the Ward Committee Community meetings that was scheduled for Sunday, 04 March 2018.

In respect of those Councillors who had submitted their request for vehicle remuneration, he advised that such pay, together with backpay, would be implemented as of 2018-03-01. He also advised that the closing date for submission of requests with regard thereto was Friday, 2018-03-02.

6. SPEAKER'S REPORT

In view of this being a special meeting the Speaker did not have a report to present.

7. APPLICATIONS FOR LEAVE OF ABSENCE

RESOLVED:

The following Councillors and Amakhosi were granted leave of absence as indicated:-

COUNCILLORS

Councillor J Annipen	:	2018-03-02 (Indisposed)
Councillor T Biyela	:	2018-02-28 (Indisposed)
Councillor R Gokool	:	2018-02-28 (Personal Commitments)
Councillor ZRT Gumede	:	2018-02-28 (Municipal Business)
Councillor ES Khanyile	:	2018-02-28 to 03-02 (Personal Commitments)
Councillor MS Nkosi	:	2018-02-28 (Personal Commitments)
Councillor JP Prinsloo	:	2018-02-28 (Municipal Business)
Councillor TN Mabanga	:	2018-02-28 (Indisposed)
Councillor WL Mapena	:	2018-03-11 to 16 (Study Leave)
Councillor SM Mdlalose	:	2018-02-28 to 03-02 (Indisposed)
Councillor TP Mfusi	:	2018-02-28 to 03-01 (Personal Commitments)
Councillor M Mjadu	:	2018-02-28 (Indisposed)

Councillor MM Mkhize	:	2018-02-28 to 03-01 (Personal Commitments)
Councillor ZM Mncwango	:	2018-02-28 (Personal Commitments)
Councillor E Mngadi	:	2018-02-28 (Indisposed)
Councillor LC Mnguni	:	2018-02-28 to 03-02 (Personal Commitments)
Councillor NE Mthembu	:	2018-02-28 (Indisposed)
Councillor MM Mthembu	:	2018-02-28 (Municipal Business)
Councillor ON Mthembu	:	2018-02-28 to 03-30 (Indisposed)
Councillor SC Ntshangase	:	2018-02-28 (Indisposed)
Councillor BT Ntuli	:	2018-02-28 (Personal Commitments)
Councillor A Ramkissoo	:	Request to leave at 14:00

AMAKHOSI

Inkosi BF Bhengu	:	2018-02-28 (Personal Commitments)
Inkosi VR Cele	:	2018-02-28 (Personal Commitments)
Inkosi NM Hlengwa	:	2018-02-28 (Personal Commitments)
Inkosi PP Luthuli	:	2018-02-28 (Personal Commitments)
Inkosi NC Maphumulo	:	2018-02-28 (Personal Commitments)
Inkosi DZ Mkhize	:	2018-02-28 (Personal Commitments)
Inkosi KT Mkhize	:	2018-02-28 (Personal Commitments)
Inkosi LD Mkhize	:	2018-02-28 (Personal Commitments)
Inkosi S Mlaba	:	2018-02-28 (Personal Commitments)
Inkosi RR Mthembu	:	2018-02-28 (Personal Commitments)
Inkosi JP Shangase	:	2018-02-28 (Personal Commitments)
Inkosi EB Shozi	:	2018-02-28 (Personal Commitments)

It is recorded that although Inkosi EB Shozi had applied for Leave of Absence, he was present at the meeting.

In the absence of Her Worship the Mayor, Councillor ZRT Gumede, the Deputy Mayor, Councillor F Peer presented the below mentioned report.

EXTRACT OF SECOND REPORT OF THE EXECUTIVE COMMITTEE

(Meeting held 2018-02-20)

PRESENT : Executive Committee Members ZRT Gumede (Mayor and Chairperson), F Peer (Deputy Mayor), HU De Boer, BA Fortein, S Hoosen, SA Kaunda, ZM Mncwango, MM Mthembu, MS Nkosi and ZR Sokhabase

4. REQUEST TO BORROW R1.0 BILLION FOR CAPITAL PROJECTS (7/3/1/1/2)

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The importance for the City to endeavor to collect amounts owed by other government departments prior to considering borrowing was stressed.

Clarity was then provided that the borrowing was in respect of Capital projects with all the necessary National Treasury compliance having been met and further that cognizance is taken of the intention to increase debt collection.

Thereafter,

COMMITTEE RECOMMENDS:

- 4.1 That Council grants approval, in principle, for the raising of long term debt finance for capital projects of R1 Billion (One Billion Rand), at a fixed interest rate for a tenor of fifteen (15) years, as approved in the medium term budget from the preferred lender - Nedbank Limited, subject to Section 46 of the Local Government: Municipal Finance Management Act No. 56 of 2003 read with the Municipal Regulations of Debts Disclosure issued under Notice GNR dated 05 June 2017.
- 4.2 That authority be granted to the Deputy City Manager: Finance in consultation with the Acting Head: Legal and Compliance to engage in discussions with Nedbank Limited to agree, in principle, upon the final terms of the loan agreement, for approval by the Council in accordance with Section 46(2) of the Local Government: Municipal Finance Management Act No. 56 of 2003.

Some Councillors were not in support of the above recommendations of the Executive Committee contending that the Municipality was already in debt in billions of rand. Further, consumer debts had been written off as irrecoverable and the Council's debt collection policy required review. It was mentioned that the borrowing of a billion rand would lead the Municipality to bankruptcy. It was also mentioned that as the Municipality had a cash reserve of approximately 3.4 billion rand there was no need for a loan to be taken. Concerned was expressed with regard to the recovery of Government debt.

The majority of the Councillors expressed their support for the above-mentioned recommendations of the Executive on the basis that the borrowing of the 1 billion rand was contained in the budget which had been approved by Council. Further, it was a norm for the budget to be backed up by loans for capital expenditure and other major Metropolitan Municipalities in South Africa also acquired loans.

It was stressed that in order to enhance service delivery, it was important for the Municipality to acquire the loan in question.

The matter was thereafter put to the vote. With 188 Councillors present, 128 Councillors (ANC – 116, IFP – 5, IND – 3, MF – 1, DLC – 1, MOSA – 1 and APC – 1) voted in favour and 57 Coouncillors (DA – 56 and AL JAMA-AH – 1) voted against. 3 AIC Councillors abstained from voting.

The above recommendations of the Executive Committee were, by the majority vote, ADOPTED.

The meeting terminated at 13:00

CONFIRMED AT THE MEETING OF THE ETHEKWINI COUNCIL ON 2018-03-28

SPEAKER