

**[NOTES: 1. The attached report of the Chairperson: Municipal Public Accounts Committee (MPAC) in respect of Matters Arising (A) on page NO. 3824 of Volume 12 will be formally tabled at the Council meeting.]**

**2. Kindly note that the above-mentioned report is also available on SharePoint.]**

File No.3/1/2/55

[Author: Chairperson: Municipal Public Accounts Committee  
(Councillor P.M. Basopu)/um]

**BUFFALO CITY METROPOLITAN MUNICIPALITY (BCMM)**  
**OVERSIGHT REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS**  
**COMMITTEE (MPAC) 2024/2025**

**1. PURPOSE**

The purpose of this report is to provide comments and recommendations to the Council on the Annual Report for the 2024/2025 financial year referred to the Municipal Public Accounts Committee vide council minute number VBCMC 5/26 dated 29 January 2026 and make appropriate recommendation thereon for adoption.

**2. AUTHORITY**

Council

**3. LEGAL / STATUTORY REQUIREMENTS**

- (i) The Constitution of the Republic of South Africa, 1996
- (ii) Municipal Planning and Performance Regulations (2001)
- (iii) Municipal Structures Act 117 of 1998
- (iv) Municipal Systems Act No 32 of 2000
- (v) Municipal Finance Management Act 56 of 2003
- (vi) (MFMA) and associated Regulations and Policies of the Municipality
- (vii) The Public Audit Act 25 of 2004
- (viii) Municipal Public Accounts Guidelines

#### 4. **BACKGROUND**

The Annual Report for the financial year 2024/2025 was prepared by management and tabled in the Council meeting dated 29 January 2026.

Arising therefrom, Council resolved vide VBCMC 5/25 dated 29 January 2026

1. *That the Council NOTES the 2024/2025 Buffalo City Metropolitan Municipality's Annual Report, as set out in the tabled and flighted report of the Executive Mayor, Councillor P. Faku, under the above heading, to the Council virtual special meeting held on 29 January 2026.*
2. *That the Accounting Officer be required to implement all the requirements of Section 127 (5) (a) (b) of the Municipal Finance Management Act in respect of the submission and tabling of the Annual Report referred to in Resolution No. 1 hereof.*
3. *That the Oversight Report reflecting the comments on the Annual Report be submitted to the Council by the Municipal Public Accounts Committee within two (2) months from the date of tabling the Annual Report in Council (i.e. 29 January 2026).*

#### 5. **EXPOSITION OF FACTS**

Annual reports are the key reporting instruments for municipalities to report against the performance targets and budgets outlined in their strategic plans namely the Integrated Development Plan (IDP). Annual reports demonstrate how the budget was implemented and the results of service delivery operations for that financial year. This is therefore a backward — looking exercise in order to report on planned vs actual initiatives/activities achieved.

As per Municipal Finance Management Act No 56 of 2003 (MFMA) Circular No 1 1 , "every municipality is required to prepare an annual report for each financial year In accordance with the MFMA and, during the MFMA transitional period,

The Division of Revenue Act and the Municipal Systems Act 2000, The purpose of the annual report is:

- i. to provide a record of the activities of the Municipality;
- ii. to provide a report on performance in service delivery and against the budget;  
and
- iii. to promote accountability to the local community for decisions.

## 5.1 SITE VISITS

Site visits were undertaken on the 27 February 2026 as follows:

- 5.1.1 Zwelitsha Waste Water Treatment Works.
- 5.1.2 Schornville Waste Water Treatment Works
- 5.1.3 Bonza Bay Waste Water Treatment Works
- 5.1.3 Fortjackson traffic circle
- 5.1.4 Park Gates road

## 5.2 Members of the Municipal Public Accounts Committee are:

<b>COUNCILLOR</b>	Mike Basopu	Chairperson
	Pumezo Jaxa	Member
	Vuyokazi Siboyana	Member
	Boy-Boy Kalani	Member
	Anathi Majeke	Member
	Mandisa Mashiya	Member
	Geoffrey Walton	Member
	Mziyanda Hlekiso	Member
<b>OFFICIALS</b>	Aphiwe Nkosimbini	MPAC Technical Support

## 6. CHALLENGES

- 6.1 The delays in getting an approval for the dates of the analysis of the draft oversight report.
- 6.2 The postponement of some of the public hearings due to the request of the Executive Mayor due to prior arrangements.

6.3 Lack of Technical Support provided to the committee during the analysis of the annual report and the compilation of the Oversight Report.

6.4 The rescheduling of some of the public hearings impacted negatively on the work of the committee

## **7. STAFF IMPLICATIONS**

None.

## **8. FINANCIAL IMPLICATIONS**

The Municipal Public Accounts Committee (MPAC) convened special meetings, work sessions and public engagements for the oversight process.

## **9. OTHER PARTIES CONSULTED**

- i. Office of the Speaker of Council.
- ii. Office of the City Manager.
- iii. Acting Chief Financial Officer.
- iv. Heads of Directorates.
- v. Auditor General of South Africa (AGSA).
- vi. Audit Committee.

## **10. RECOMMENDATIONS**

### **It is recommended that:**

10.1. Council having fully considered the Annual Report of the Municipality and representation thereon, adopts the draft Oversight Report of the Municipal Public Accounts Committee as required in terms of Section 129 of the Municipal Finance Management Act No 56 of 2003 (MFMA).

10.2. The office of the Accounting Officer makes public the Oversight Report within seven (7) days of adoption of the report, as required in terms of Section 129(3) of the MFMA.

10.3 That the office of the Accounting Officer submits the Annual Report and the Oversight Report relating to the 2024/2025 Annual Report to the Provincial Legislature, Auditor General of South Africa, the relevant Provincial Treasury, and the provincial department responsible for local government in the province within seven (7) days from the date of tabling the report.



COUNCILLOR P.M. BASOPU  
CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Ncumisa Sidukwana/nb

**ANNEXURES (A):** Invitations

**ANNEXURES (B):** Attendance Registers

**ANNEXURES (C):** Minutes

1. Day 1 Analysis of the AR Work Session - 17 February 2026
2. Day 2 Analysis of the AR Work Session – 18 February 2026
3. Day 3 Analysis Report of the AR Work Session – 19 February 2026
4. Day 4. Analysis of the AR Work Session - 20 February 2026
5. Day 1 Public Hearing – Inland - 13 March 2026
6. Day 2 Public Hearing – Midland - 16 March 2026
7. Day 3 Public Hearing – Coastal - 17 March 2026
8. Day 4 Public Hearing – Coastal - 19 March 202
9. Day 5 Public Hearing – Crawford's - 23 March 2026
10. Day 6 Public Hearing – Mpekweni beach Lodge - 21 April 2026
11. Day 7 Public Hearing – Mdantsane Community Hall N.U 12 - 24 April 2026

**ANNEXURE (D):** Written responses per directorate

**ANNEXURE (E):** Community & Stake holder Submissions

**ANNEXURE (F):** Reports:

1. AG Report
2. Internal Audit
3. Methodology (Service Provider)
4. Site Visits

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# OVERSIGHT REPORT

## 2024/2025

*Prepared by the Municipal Public Accounts Committee of  
the Buffalo City Metropolitan Municipality*



***In compliance with Municipal Finance  
Management, 56 of 2003, Circular 32 on the  
Analysis of the Annual Report 2024/25***

*Office of the Municipal Public Accounts Committee  
117 Oxford Street, Cnr North and Oxford Streets Trust Centre  
East London*

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**ACRONYMS**

**AAIP**      Audit Action Improvement Plan

**AAP** Audit Action Plan **AC**

## Audit Committee

<b>ADM</b>	Amathole District Municipality
<b>ADS</b>	Asset Management System (referenced in context of a system)
<b>AFS</b>	Annual Financial Statements
<b>AG</b>	Auditor-General (also AGSA)
<b>AGSA</b>	Auditor-General of South Africa
<b>APR</b>	Annual Performance Report
<b>AR</b>	Annual Report
<b>ATM</b>	African Transformation Movement (political party)
<b>BAC</b>	Bid Adjudication Committee
<b>BCM</b>	Buffalo City Metropolitan Municipality (short form)
<b>BCMDA</b>	Buffalo City Metropolitan Development Agency
<b>BCMM</b>	Buffalo City Metropolitan Municipality
<b>BEC</b>	Bid Evaluation Committee
<b>CA</b>	Chartered Accountant
<b>CBD</b>	Central Business District
<b>CCTV</b>	Close Circuit Television
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CIDB</b>	Construction Industry Development Board
<b>CM</b>	Accounting Officer
<b>CNIP</b>	(Referenced as a beneficiary group; specific meaning not defined)
<b>COAF</b>	Communication of Audit Findings
<b>COGTA</b>	Corporative Governance and Traditional Affairs
<b>DDEAT</b>	Department of Economic Development, Environmental Affairs and Tourism
<b>DMC</b>	Disaster Management Centre
<b>DoRA</b>	Division of Revenue Act
<b>DPS</b>	Department of Public Safety
<b>DS</b>	Disaster Management
<b>DSRAC</b>	Department of Sport, Recreation, Arts and Culture
<b>DWS</b>	Department of Water and Sanitation
<b>EPWP</b>	Expanded Public Works Programme
<b>FBE</b>	Free Basic Electricity
<b>GCC</b>	Government Certificate of Competency
<b>GRAP</b>	Generally Recognised Accounting Practice
<b>G-TAC</b>	(Referenced as a 2019 study; specific meaning not defined)
<b>HOD</b>	Head of Department
<b>HR</b>	Human Resources
<b>HRD</b>	Human Resource Development
<b>HSDG</b>	Housing Development Grant (inferred)
<b>IA</b>	Internal Audit
<b>ICT</b>	Information Communications Technology
<b>IDP</b>	Integrated Development Plan
<b>IGR</b>	Intergovernmental Relations
<b>IMS</b>	Indigent Management System
<b>IUDF</b>	Integrated Urban Development Framework
<b>KPI</b>	Key Performance Indicator
<b>KWT</b>	King William's Town
<b>LTE</b>	Long-Term Evolution (mobile network technology)
<b>MCC</b>	Motor Control Centre (referenced at Reeston WWTW)
<b>MDD</b>	Municipal Bid Document

<b>11</b>	
<b>MEC</b>	Member of the Executive Council
<b>MFMA</b>	Municipal Finance Management Act, 56 of 2003
<b>MGNC</b>	Metropolitan Geographical Names Committee
<b>MIG</b>	Municipal Infrastructure Grant
<b>MMC</b>	Member of the Mayoral Committee
<b>MPAC</b>	Municipal Public Accounts Committee
<b>MPT</b>	Municipal Planning Tribunal
	<b>MSA</b> Municipal Systems Act, 32 of 2000
<b>mSCOA</b>	Municipal Regulations on Standard Chart of Accounts
<b>NDoH</b>	National Department of Housing
<b>NEMA</b>	National Environmental Management Act
<b>NEMWA</b>	National Environmental Management: Waste Act, 59 of 2008
<b>NHBRC</b>	National Home Builders Registration Council
<b>NT</b>	National Treasury
<b>PIAP</b>	Performance Improvement Action Plan
<b>PMS</b>	Performance Management System
<b>PPE</b>	Property, Plant, and Equipment
<b>RM</b>	Risk Management
<b>ROI</b>	Return on Investment
<b>RT46</b>	National Treasury's Transversal Contract For Fleet (RT46-2022)
<b>SANS</b>	South African National Standard
<b>SAPS</b>	South African Police Service
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SCM</b>	Supply Chain Management
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>SLAs</b>	Service Level Agreements
<b>SMART</b>	Specific, Measurable, Achievable, Relevant, Time-bound
<b>SOP</b>	Standard Operating Procedures
<b>SPD</b>	Spatial Planning and Development
<b>SPLUMA</b>	Spatial Planning and Land Use Management Act, 16 of 2013
<b>SRA</b>	Security Risk Assessment
<b>TLBs</b>	Tractor Loader Backhoes (earthmoving equipment)
<b>TRN</b>	Tactical Radio Network
<b>UIF, and W</b>	Unauthorised, Irregular, Fruitless and Wasteful
<b>UIFW</b>	Unauthorised, Irregular, Fruitless and Wasteful
<b>USDG</b>	Urban Settlements Development Grant
<b>VAT</b>	Value Added Tax
<b>VMMC</b>	Voluntary Medical Male Circumcision
<b>WIP</b>	Work in Progress
<b>WSIG</b>	Water Services Infrastructure Grant
<b>WWTW</b>	Wastewater Treatment Works

## **COUNCIL RESOLUTION AND STATEMENT**

Council resolves that:

## 1. Approval of the Annual Report with Reservations

The Annual Report for the 2024/2025 financial year is hereby **approved with reservations**. This decision is not an endorsement of the financial and non-financial performance of the municipality but is taken to comply with the statutory requirements of Section 129 of the Municipal Finance Management Act, 56 of 2003. The reservations are based on the findings contained in the oversight report and are detailed below.

## 2. Basis for Reservations

Council approves the Annual Report with reservations for the following reasons, as substantiated in the Municipal Public Accounts Committee Oversight Report:

**Executive and Management:** Municipal Public Accounts Committee observes with that the Executive and Management responses are largely defensive, lack specificity, and fail to address the root causes of financial distress and poor service delivery. Without urgent corrective action, the municipality faces escalating financial, legal, and governance risks, including potential provincial intervention, litigation, and a continued erosion of public trust.

- **Stagnated and Poor Audit Outcome:** The municipality has received a **qualified audit opinion with findings**, identical to the previous year, demonstrating no progress in addressing foundational financial management failures. Material misstatements, particularly concerning Property, Plant, and Equipment, remain unresolved.
- **Unreliable Performance Reporting:** The Auditor-General was unable to provide an assurance opinion on key strategic outcomes, including "A Connected City" and "A Well-Governed City." The performance information in the report is therefore fundamentally unreliable, undermining the council's ability to measure service delivery.
- **Persistent Irregular and Unauthorised Expenditure:** The municipality continues to incur significant irregular expenditure (R 409.3 million) and unauthorised expenditure (R 646.82 million). The systemic noncompliance with procurement regulations and budgeting processes indicates a breakdown in financial control.
- **Absence of Consequence Management:** A pervasive finding across all directorates is the failure to hold officials accountable for repeated failures, material non-compliance, and financial losses. This lack of consequence has created a culture of impunity, ensuring that the same weaknesses and audit findings recur year after year.
- **Systemic Service Delivery Failures:** The oversight report highlights critical failures, including the collapse of wastewater treatment infrastructure, the "perpetual" fleet crisis, stalled housing projects, and the ineffective management of the revenue and debt collection function. These operational failures directly contradict the municipality's strategic objectives.

## 3. Instructions to the Accounting Officer

To address the root causes of these reservations and to move the municipality towards a path of sustainable improvement, Council instructs the Accounting Officer to:

- 3.1. Implement Consequence Management:** Within 30 days of adopting this report, initiate disciplinary and, where applicable, criminal proceedings against all senior managers and officials identified in the oversight report as responsible for material non-compliance, irregular expenditure, fruitless and wasteful expenditure, and the failure to implement prior audit action plans. A detailed report on these actions must be submitted to the Municipal Public Accounts Committee.
- 3.2. Mandate a Performance and Data Integrity Reset:** Direct all Heads of Department to personally certify, on a quarterly basis, the accuracy, reliability, and verifiability of their directorate's performance and financial data. This certification must be submitted to the Municipal Public Accounts Committee, and any false certification must result in immediate disciplinary action.
- 3.3. Adopt a Remedial Action Plan with Binding Timelines:** Present a single, consolidated Remedial Action Plan to Council within 60 days. This plan must address all root causes identified in this oversight report, assign specific accountability to named officials, include firm, enforceable deadlines, and provide for quarterly progress reports

to the Municipal Public Accounts Committee. The plan must explicitly outline the consequences for failing to meet any of its milestones.

**3.4. Urgently Intervene in Critical Service Delivery Failures:** Within 30 days, submit to Council a detailed and time-bound action plan to address the most urgent failures, specifically:

- The security and rehabilitation of the Zwelitsha, Schornville, and Beacon Bay Wastewater Treatment Works.
- The development of a credible financial recovery plan to stabilize cash flow and improve the debt collection period from 186 days.
- The finalization of a new, compliant organizational structure and a formal Staff Retention Policy.

#### 4. Conclusion

This adoption with reservations serves as a formal and final warning to the executive and administration. The status quo is no longer acceptable. Council will exercise its oversight authority to ensure that the instructions contained in this resolution are implemented with urgency and that those responsible for the systemic failures are held to account. This report serves as a foundational document for the next administration to break the cycle of dysfunction and rebuild a functional, accountable, and well-governed city.

In assisting the Executive and Administration to execute their functions diligently and to ensure that the Municipality addresses the repeat findings in the next regulatory audit, the Committee hereby recommend to Council to approve the below action plan for implementation.

This action plan is a robust and necessary response to serious oversight findings. Its success will not be measured by the number of reports submitted, but by the tangible outcomes:

- no identification of material misstatements in the annual report and the annual financial statements • addressing the UIF and W
- finalisation of the review of the organisational structure and policies
- enhancing the staffing in the ICT department
- disciplinary cases concluded
- the security of wastewater treatment plants restored
- the days in creditor payments reduced
- the quality of financial and performance data improved.
- enhancement of quality assurance process.

The Council's role is now to maintain consistent pressure, enforce the deadlines, and provide swift support or intervention when the detailed progress reports indicate an action is moving off track.



**ACTION PLAN ON THE IMPLEMENTATION OF COUNCIL RESOLUTION FOR OVERSIGHT REPORT 2025/2026**

#	Finding (Action Required)	Responsible Official	Progress Report				
			April 2026	May 2026	June 2026	July 2026	August 2026
<b>A. Accountability and Governance</b>							
A.1	<b>Implement Consequence Management:</b> Initiate disciplinary/criminal proceedings against senior managers identified for material non-compliance, irregular expenditure, and failure to implement prior audit action plans. Submit a detailed report to MPAC.	<b>Accounting Officer</b>					
A.2	<b>Mandate Performance and Data Integrity Reset:</b> All Heads of Department (HODs) must personally certify the accuracy of their directorate's performance and financial data on a quarterly basis. False certification must result in immediate disciplinary action.	<b>All HODs</b>					
A.3	<b>Adopt Consolidated Remedial Action Plan:</b> Present a plan to Council addressing all root causes, with named officials, firm deadlines, and quarterly progress reports to MPAC.	<b>Accounting Officer</b>					
A.4	<b>Enforce Corrective Action on Stalled Capital Projects:</b> Report to Council within 30 days on delays (e.g., Parking Management System, Law Enforcement Building) with root cause analysis, accountability, and a revised project plan.	<b>HOD: Infrastructure Services</b>					

A.5	<p><b>Strengthen Internal Audit and Oversight:</b> Audit Committee to review factors causing delays in the Internal Audit report and recommend preventative measures. Ensure all future statutory reports have pre-submission sign-off from the Audit Committee.</p>	Audit Committee Chair							
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#	Finding (Action Required)	Responsible Official	Progress Report			
			April 2026	May 2026	June 2026	July 2026
<b>B. Finance, Procurement and Revenue</b>						
B.1	<p><b>Mandate a Credible Reviewed Financial Recovery Plan:</b> Present a time-bound plan to Council within 30 days, including targets for cash flow, creditor payments (30-day goal), revenue collection, and reduction of technical/commercial losses.</p>	Chief Financial Officer				
B.2	<p><b>Enforce Budgeting Compliance:</b> Implement a new protocol to ensure all material non-cash expenses (depreciation, etc.) are accurately budgeted for in 2026/2027 to prevent further unauthorised expenditure.</p>	Chief Financial Officer				

B.3	<p><b>Legislate a Consultancy Management Strategy:</b> Draft a formal strategy for Council approval within 60 days, mandating binding Skills Transfer Plans and exit strategies for all consultant contracts.</p>	Accounting Officer					
B.4	<p><b>Address Procurement Irregularities:</b> Provide a report to Council detailing all disciplinary cases instituted against officials responsible for the R 409.3 million irregular expenditure, including names and case status.</p>	Accounting Officer					
B.5	<p><b>Direct a Review of Debt Collection and Revenue Protection:</b> Present a revised revenue strategy that includes a timeline to fill the Revenue Protection Unit (to 100% capacity), a policy on prosecuting illegal connections, and a plan to reduce the collection period from 186 days.</p>	Chief Financial Officer					

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#	Finding (Action Required)	Responsible Official	Progress Report			
			April 2026	May 2026	June 2026	July 2026 August 2026
B.6	<p><b>Resolve Asset Management Qualification:</b> Present a joint action plan to Council with deadlines for user departments to finalize project files, close out WIP, and develop internal technical expertise to reduce reliance on consultants.</p>	Chief Financial Officer and All HODs				
<b>C. Infrastructure and Service Delivery</b>						

C.1	<b>Urgently Intervene in Wastewater Crisis:</b> Submit a time-bound action plan within 30 days for the security and rehabilitation of Zwelitsha, Schornville, and Reeston WWTW. Include a comprehensive security plan (fencing, lighting, CCTV, guarding) and a timeline for reinstating water use licenses.	<b>HOD: Infrastructure Services</b>					
C.2	<b>Expedite Zwelitsha WWTW Completion:</b> Fast-track the SCM processes for the four work packages (civil, mechanical, electrical, control) and report monthly on progress to Council.	<b>HOD: Infrastructure Services</b>					
C.3	<b>Develop a Fleet Acquisition Strategy:</b> Present a strategy to reduce reliance on hired/leased vehicles, including a cost comparison analysis and a timeline to reduce hired fleet by a specific percentage.	<b>HOD: Infrastructure Services (Fleet)</b>					
C.4	<b>Mandate a Comprehensive Infrastructure Master Plan:</b> Commission an updated Master Plan for Water, Sanitation, and Roads within 12 months, based on an accurate asset register.	<b>HOD: Infrastructure Services</b>					

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#	Finding (Action Required)	Responsible Official	Progress Report			
			April 2026	May 2026	June 2026	July 2026
<b>D. Human Resources and Organisational Structure</b>						
D.1	<b>Finalise the New Organisational Structure:</b> Submit a binding project plan for the final adoption of a new, compliant organisational structure.	HOD: Corporate Services				
D.2	<b>Develop a Formal Staff Retention Policy:</b> Present a standalone Staff Retention Policy for Council approval.	HOD: Corporate Services				
D.3	<b>Address Supervisor Absenteeism:</b> Present a clear, written protocol for ensuring 100% supervisory coverage during any absence, with a defined escalation path and "fitness-for-duty" evaluations.	HOD: Corporate Services				
<b>E. Municipal Entities</b>						
E.1	<b>Review the Performance of BCMDA:</b> Instruct the Chief Audit Executive to perform a performance audit of the BCMDA, focusing on stalled projects and compliance with its mandate including the submission of all the legislative documents. Present findings to Council.	Chief Audit Executive				
<b>F. Public Participation and Oversight</b>						
F.1	<b>Formally Respond to Public Submissions:</b> Acknowledge and provide a written response to all public, detailing specific actions taken.	Speaker of Council				

F.2	<p><b>Clarify Governance Roles:</b> Facilitate a Council workshop to clearly delineate the oversight roles of the Executive, Internal Audit, and the Audit Committee.</p>	<p><b>Speaker of Council</b></p>					
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## 1. FOREWORD OF THE CHAIRPERSON

It is with a profound sense of duty, and a deep appreciation for the weight of this moment, that I present this Oversight Report for the 2024/2025 financial year. This report is more than a statutory requirement; it is the culmination of a rigorous and essential process of accountability, scrutiny, and public engagement. As this marks the final Oversight Report of the current administration, it serves not only as an accounting of the past financial year but also as a critical handover document—a clear-eyed assessment of the state of governance and financial management in Buffalo City Metropolitan Municipality.

Our constitutional and legislative mandate, as enshrined in the Municipal Finance Management Act, 56 of 2003, and the Municipal Structures Act, 117 of 1998, compels us to hold the executive and administration accountable. In fulfilling this mandate, the Municipal Public Accounts Committee has embarked on a journey of detailed analysis, public hearings, site inspections, and rigorous engagement. The report before you is the product of that journey.

The findings detailed in this report paint a concerning picture. The municipality's audit outcome remains a qualified opinion with findings, a stagnation that is unacceptable for an administration of our scale. We continue to grapple with material misstatements in our financial statements, particularly concerning property, plant, and equipment. More fundamentally, our performance reporting remains unreliable, with the Auditor-General unable to provide an assurance opinion on key strategic outcomes, including those of a Connected and Well-Governed City. The high recurrence of irregular expenditure and the persistent absence of effective consequence management point to deepseated systemic weaknesses that cannot be ignored.

As a committee, it is our duty to present a candid reflection on our work over the concluded term. In assessing our own performance, we must acknowledge that the Committee has not been efficient nor effective in executing its core mandate of holding the Executive to account. This shortcoming, however, exists within a broader context of systemic failure. After a thorough review, the Committee concludes that the municipality remains trapped in a cycle of dysfunction, driven by a fundamental breakdown in accountability.

The root causes identified across all directorates—including unreliable performance data, an over-reliance on costly external consultants, a "perpetual" fleet crisis, non-compliant procurement processes, stalled infrastructure projects, and a severe lack of consequence management—are not new. Alarming, these issues have been flagged in prior oversight cycles but have, year after year, remained unaddressed.

This report, therefore, does not shy away from these uncomfortable truths. It identifies the risks—financial, legal, reputational, and operational—that the municipality faces if decisive action is not taken. It is our duty to lay these bare, so that the next council and administration can begin its term with a clear understanding of the challenges ahead.

To the Executive Mayor and Her Worship's Distinguished Members of the Mayoral Committee, on behalf of all who recognise the gravity of accountable governance, I wish to express my sincere and profound gratitude for your participation throughout the 2024/2025 oversight process. The Municipal Public Accounts Committee's oversight mandate is, by its nature, a challenging interaction between those who govern and those who scrutinise. Yet you have engaged with this process in the spirit our constitutional democracy demands—submitting yourselves and your administration to the rigours of public hearings, document reviews, and accountability mechanisms.

Your willingness to participate, even when the findings presented uncomfortable truths about systemic challenges within the municipality, demonstrates a maturity of leadership that deserves acknowledgment. Governance is not measured in moments of success alone, but in how leaders respond to scrutiny and criticism. By engaging meaningfully with this oversight process, you have honoured the residents of Buffalo City and upheld the principles of transparency that underpin our local government framework.

I must express my sincere gratitude to my fellow members of the Municipal Public Accounts Committee. Your dedication, analytical rigour, and unwavering commitment to the principles of good governance have been the

bedrock of this work. In the face of often complex and frustrating information, you have remained steadfast in your pursuit of accountability. Thank you to each and every member for your service.

Our gratitude extends to the broader Council, which has entrusted us with this critical oversight function. We acknowledge the support of the Auditor-General of South Africa and their team, whose professional insights and independent verification provide the foundation for our work. We also extend our appreciation to the Audit Committee for their oversight and guidance throughout the year.

To the management of Buffalo City Metropolitan Municipality, we acknowledge your participation in this process. While our findings are critical, they are intended to be constructive. The goal is not to assign blame, but to build a better, more accountable, and more effective municipality for the people we serve. We trust that the recommendations contained in this report will be taken as a roadmap for urgent and meaningful corrective action.

Most importantly, we thank the people of Buffalo City. To the communities, stakeholders, and interested parties who attended our public hearings, submitted written comments, and engaged with us on the annual report—your participation is the heartbeat of our democracy. Your willingness to hold your government to account is a powerful force for change, and we are deeply grateful for your trust and your engagement.


To the support staff of the Municipal Public Accounts Committee, we wish to express our sincere and profound gratitude to the dedicated support staff you have provided to the Committee. For the past four years, you have been the backbone of our oversight work. Behind every public hearing, every detailed report, and every recommendation tabled before Council stands your unwavering commitment, long hours, and meticulous attention to detail.

The oversight report processes—from coordinating evidence to managing records and ensuring procedural compliance—demand precision, patience, and professionalism. You have delivered these in full measure. Your dedication has not only strengthened the work of this Committee but has also reinforced the principle that accountability in local government depends on the quiet, consistent efforts of those who work tirelessly behind the scenes. You have served with integrity and resilience, often under demanding circumstances, and for that we are deeply grateful.

As we reflect on the past four years, we recognise that the progress we have made in promoting transparency and financial accountability would not have been possible without your contribution. You are valued members of the municipal governance family, and your service does not go unnoticed. Thank you for your loyalty, your professionalism, and your continued commitment to the people of Buffalo City

This is the final Oversight Report for this administration. We hand it over with the hope that its findings and recommendations will be used, not shelved. The challenges are significant, but they are not insurmountable. A wellgoverned, connected, green, and innovative city is within our reach. It requires a culture of accountability, a commitment to evidence-based decision-making, and the courage to implement real consequences for nonperformance. May this report serve as a foundation for the next administration to build a Buffalo City that truly serves all its residents.

Thank you.



CHAIRPERSON  
CLLR Dr. MIKE BASOPU

## 2. EXECUTIVE SUMMARY

### Purpose

The tabling of the Municipal Public Accounts Committee oversight report is the formal step that enables a municipal council to exercise its constitutionally mandated oversight role. It marks the transition from detailed scrutiny by a specialist committee to formal decision-making and accountability by the full political body of the municipality. Here are the main purposes of this process:

- **The Formal Adoption Process**

Section 160 of the Constitution governs how municipal councils conduct their business. It confirms that a council may establish committees and that the executive committee (or executive mayor) is responsible for exercising all functions of the council **except** those that the council may not delegate. This supports the principle that the full council retains the final decision-making authority over reports from its committees, such as the Municipal Public Accounts Committee.

The Municipal Public Accounts Committee is a committee established by the council to perform oversight on its behalf, primarily in terms of Section 79A of the Municipal Structures Act, 117 of 1998. It does not have the power to make final decisions. Instead, once the Municipal Public Accounts Committee has completed its review and compiled its oversight report, it must table it for the full council to consider, deliberate on, and formally adopt.

Section 129 of the Municipal Finance Management Act, 56 of 2003, is critical to final decision-making. It outlines that after the Municipal Public Accounts Committee has completed its review, the committee must submit its oversight report to the council. **Subsection (3)** specifically states that once the **council has adopted the oversight report**, the report must be made public. This confirms the Municipal Public Accounts Committee's role is to compile the report, but the final, binding adoption is the function of the full council.

- **The Oversight Mechanism**

Tabling the report is the culmination of a rigorous process of scrutiny. Municipal Public Accounts Committee's statutory role is to evaluate the municipality's Annual Report, including the financial statements and the Auditor-General's audit findings. By tabling its findings and recommendations, Municipal Public Accounts Committee provides the council with an informed, evidence-based assessment of the municipality's financial and service delivery performance.

- **Enforcing Accountability**

The tabling process is a key tool for enforcing accountability. The oversight report often includes recommendations for "consequence management" in cases of financial misconduct or poor performance. When the report is tabled, the council can then refer to these findings to hold the executive mayor and municipal administration accountable for how public funds were managed.

- **Ensuring Transparency**

This process is designed to promote transparency and public participation. The Municipal Public Accounts Committee's work included public hearings where community members commented on the annual report.

Tabling the final report ensures that the council's conclusions, based on both public input and expert analysis, are part of the public record and open to scrutiny

### **Key Findings**

The Annual Report 2024/2025 will be adopted with reservations. This is due to the underperformance of the city and its entities. The underperformance is significant, including repeated material findings by the Auditor General of South Africa on unauthorised expenditure due to no-cash items, the high occurrence of irregular expenditure and the absence of consequence management.

The overall audit outcome of the city is qualified with findings. This is the same as the previous year's audit. The municipality continues to contravene legislation on all compliance themes. Below are the audit results per outcome area for the past three years:

Outcome area	Movement	2024/2025	2023/2024	2022/2023
<b>Annual Financial Statement</b>				
Material misstatement-Material misstatements relating to Property, Plant and Equipment that were not corrected formed the basis for the modified opinion on the financial statements.	→			
Property, {Plant and Equipment limitations affected prior year and current year balances and movements. Significant misstatements were noted in impairment, asset verification, asset componentisation, and depreciation.	→			
Prior-year issues and control weaknesses were not addressed, preventing management's ability to make the necessary audit adjustments within a reasonable time and still allow for a re-audit.	→			
<b>Annual performance report</b>				
Strategic Outcome 2 Green City	→			
Strategic Outcome 3-Connected City	→			
Strategic Outcome 4-A Spatially Transformed City	→			
Strategic Outcome 5-Well Governed City	↑			
Compliance with legislation				
Annual Financial Statements	→			
Strategic planning and performance management	→			
Asset management	→			
Expenditure management	→			
Revenue management	→			
Human resource management	→			
Procurement and contract management	→			
Consequence management	→			
Environmental management	→			

### Controlled Entities

The overall audit outcomes of the entity controlled by the municipality and the audit results per outcome area follow.

Outcome area	Movement	2024/2025	2023/2024	2022/2023
Financial Statements	→			
Annual performance report				

Outcome 4: Inclusive and resilient economy	↑			
Compliance with legislation				
East London Industrial Development Zone: Unqualified without findings ( a clean audit)-the same as the previous year's audit outcome				
Financial Statements	→			
Annual performance report				
Operations	→			
Compliance with legislation	→			

Unqualified/no findings	Qualified	Adverse	Disclaimer	Material findings	Not audited
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The audit outcomes for Buffalo City Metro Development Agency stagnated over the past three financial years, continuing to have challenges relating to compliance and performance reporting. East London Industrial Development Zone must be commended for maintaining its clean audit status for the past eight financial years, which is good news as the City is having shares and financial interest in the development zone.

The overall audit outcomes remained unchanged from last year, for the 2024/2025 financial year, recurring misstatements related to property, plant and equipment. In addition to these ongoing issues, one new misstatement was identified relating to the misclassification of repairs and maintenance, where capital expenditure was incorrectly recorded in this category.

Buffalo City Metropolitan Municipality aspires to become a well-governed, connected, green, and innovative city, underpinned by reinvention and sustainable growth. To achieve this, the municipality must adopt a robust culture of monitoring and evaluation, which is critical for performance, accountability, transparency, institutional integrity, and effective resource allocation.

There were material misstatements in the Annual Performance Report relating to two of the strategic outcomes namely; a Connected City and a Well-governed City.

Currently, inadequate performance reporting and unverifiable indicators undermine oversight and decisionmaking, impacting the municipality's ability to deliver on strategic outcomes like being a connected and wellgoverned city. By embedding evidence-based Monitoring and Evaluation Frameworks, strengthening governance controls, and aligning resources with priorities, Buffalo City Metropolitan Municipality can address these challenges, enhance service delivery, and fulfil its ambitious vision while building public trust and institutional resilience.

## **Overall Conclusion**

The 2024/2025 financial year represents a period of stagnation and systemic failure for the Buffalo City Metropolitan Municipality. The administration has proven unable to reverse the negative trajectory of previous years, as evidenced by the Auditor-General's unchanged qualified audit opinion and the persistence of material findings in both financial statements and performance reporting.

The Municipal Public Accounts Committee concludes that the municipality is trapped in a cycle of dysfunction driven by a fundamental breakdown in accountability. The root causes identified across all directorates— including unreliable performance data, an over-reliance on costly external consultants, a "perpetual" fleet crisis, non-compliant procurement processes, stalled infrastructure projects, and a severe lack of consequence management—are not new. They have been flagged in prior oversight cycles but have remained unaddressed.

The responses from management, while often acknowledging the symptoms, have largely been reactive and defensive. They describe problems without committing to binding, time-bound solutions and, critically, fail to hold any specific officials accountable for repeated failures. The absence of consequence management for irregular expenditure, material misstatements, and the failure to implement previous audit action plans has created a culture of impunity, ensuring that the same weaknesses will continue to plague the city.

This oversight report concludes that without an immediate and fundamental shift in administrative culture— from describing problems to implementing strategic solutions with clear accountability—the municipality will continue to face:

- deteriorating service delivery
- escalating financial losses
- increasingly severe audit outcomes.

The report serves as a final warning and a foundational document for the incoming administration to break this cycle and rebuild a functional, accountable, and well-governed city.

## Key Recommendations

The Council resolves that a fundamental shift from procedural compliance to enforced accountability is required to break the cycle of recurring audit findings, irregular expenditure, and service delivery failures. Therefore, the Council instructs the Accounting Officer to:

1. **Implement Consequence Management:** Within 30 days of adopting this report, initiate disciplinary and, where applicable, criminal proceedings against all senior managers and officials identified in the oversight report as responsible for material non-compliance, irregular expenditure, fruitless and wasteful expenditure, and the failure to implement prior audit action plans.
2. **Mandate a Performance and Data Integrity Reset:** Direct all Heads of Department to personally certify, on a quarterly basis, the accuracy, reliability, and verifiability of their directorate's performance and financial data. This certification must be submitted to the Municipal Public Accounts Committee, and any false certification must result in immediate disciplinary action.
3. **Adopt a Remedial Action Plan with Binding Timelines:** Require the Accounting Officer to present a single, consolidated Remedial Action Plan to Council within 60 days. This plan must address all root causes identified in this oversight report, assign specific accountability to named officials, include firm, enforceable deadlines, and provide for quarterly progress reports to the Municipal Public Accounts Committee. The plan must explicitly outline the consequences for failing to meet any of its milestones.

## 3. INTRODUCTION

The annual report is submitted to Council by the Executive Mayor and the Accounting Officer and is part of the process for discharging accountability by the executive and administration for the performance in achieving the goals and objectives set by the Municipality for the financial year under review. The oversight report is considered to be a report of the municipal Council reflecting on the annual report.

Council is responsible to oversee the performance of the Municipality as required by the Constitution, Municipal Finance Management Act, 56 of 2003, and the Municipal Systems Act, 32 of 2000. The Oversight Report is the final step in the annual reporting process of a Municipality. Section 129 (1) of the Municipal Finance Management Act, 56 of 2003 requires the Council to consider the annual report of its Municipality and the municipal entities under its sole or shared ownership within nine months of the end of the financial year under review and to adopt an oversight report containing the Council's comments on the annual report.

The purpose of the annual report in terms of Municipal Finance Management Act, 56 of 2003, Circular 63 is to:

- Provide a record of the activities of the Municipality;
- Provide a report on performance in service delivery and targets against the budget; • Provide information that supports revenue and expenditure decisions made; and
- Provide accountability to the local community for the decisions made.

The final step of reporting is for the Municipality to consider and adopt the annual report in light of the findings contained in the oversight report. In terms of the guidelines, the oversight report must be compiled by the Municipal Public Accounts Committee in consultation with members of the community and interested parties and stakeholders in terms of the provisions of Section 129 of the Municipal Finance Management Act, 56 of 2003.

The Municipal Public Accounts Committee appointed by the municipal council in accordance with the provision of Section 79A(1)(a)(b) and (c) as well as Section 33 of the Municipal Structures Act, 117 of 1998, to amongst others, analyse the content of the annual report on its behalf.

Buffalo City Metropolitan Municipality's Municipal Public Accounts Committee, which was established in 2012 consisting of ten (10) members. The current committee was constituted following the election of councillors during the 01 November 2021 and has been reconfigured twice already, with the latest reconfiguration taking place during the Special Council meeting of the 12 March 2026.

The Annual Report 2024/2025 was tabled in council on 29 January 2026. This was done in compliance with section 127(2) of the Municipal Finance Management Act, 56 of 2003 which states that the mayor of the Municipality must, within seven months after the end of the financial year, table in the municipal council the annual report of the municipality and the municipal entity under the Municipality's sole or shared control.

Council then referred the annual report to Municipal Public Accounts Committee for a detailed analysis of the annual report and community and stakeholder engagement, after which the committee will compile an oversight report for consideration of the annual report and adoption. The committee appointed a service provider to assist the committee on the technical aspects of analysing the annual report and on the compilation of the oversight report.

The Municipal Public Accounts Committee also embarked on a public participation to solicit questions and/or comments on the Annual Report 2024/2025. After the question and/or comments were consolidated, the committee went through them and drafted recommendations to council which were presented to council during a council meeting held on 31 March 2026.

#### **4. LEGISLATIVE MANDATE FOR THE OVERSIGHT REPORT**

Section 152 of the Constitution establishes the core duties of municipalities, including to "provide democratic and accountable government" and to "ensure the provision of services to communities in a sustainable manner". This is the foundation for the accountability required in annual reports.

In terms of section 121 of the Municipal Finance Management Act, 56 of 2003, the municipality must prepare and adopt the annual report within a period of nine (9) months after the end of the financial year in terms of Sections 127 and 129 of the Act. The Municipality is further required to deal with the annual report in accordance with the following provisions of the Act:

##### **Section 127**

Submission and tabling of the annual report in council within seven (7) months after the end of the financial year, and submission of the annual report to public participation process in terms of Section 21A of the Municipal Systems Act, 32 of 2000, inviting the community to submit comments on the annual report.

##### **Section 129**


Consideration of the annual report by council within two (2) after the report has been tabled in terms of Section 127 of the Municipal Finance Management Act, 56 of 2003 and subsequent adoption of the Oversight Report containing the council comments on the annual report, which must include whether council has:

- Approved the annual report with or without FINDINGS;
- Reject the annual report; or
- Has referred the annual report back for revisions of those components that can be resolved

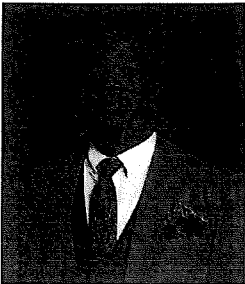
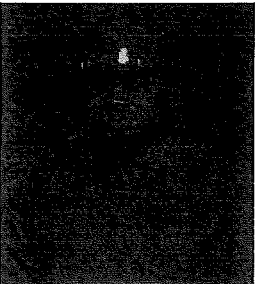
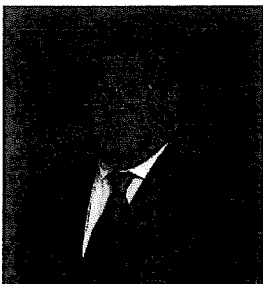

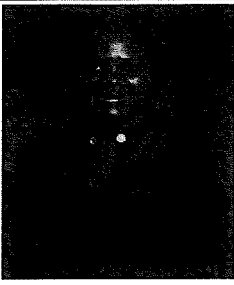
And submission of the same to the relevant authorities.


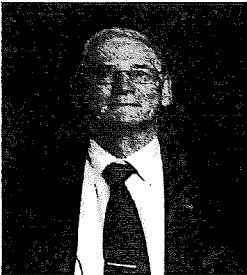
## 5. COMPOSITION OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The Municipal Accounts Committee consists of ten Councillors of which one seat is vacant constituted as follows:

Name and Surname	Designation	Party	Gender
 <p data-bbox="118 1263 376 1294">Cllr Dr. Mike Basopu</p>	Chairperson	African National Congress	Male



Name and Surname	Designation	Party	Gender
 Cllr Boy Boy Kalani	Member	African National Congress	Male
 Cllr Mziyanda Hlekiso	Member	Economic Freedom Fighters	Male
 Cllr Pumezo Jaxa	Member	African National Congress	Male
 Cllr Anathi Majeke	Member	Democratic Alliance	Female
 Cllr Mandisa Joy Mashiya	Member	African Transformation Movement	Female

Name and Surname	Designation	Party	Gender
 Cllr Vuyokazi Siboyana	Member	African National Congress	Female
 Cllr Geoffrey Keith Walton	Member	Democratic Alliance	Male
Vacant	-	-	-
Vacant	-	-	-

## 6. OVERSIGHT REPORT 2024/2025 ON THE ANNUAL REPORT PROCESS

Section 130 of the Municipal Finance Management Act, 56 of 2003, stipulates that public participation must be a central element of all processes relating to an annual report. In so doing, the aforementioned section instructs that the meetings of a municipal Council or Committee established by 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 organs of state.

As part of promoting public participation in the oversight process, municipalities are obliged to undertake the following additional actions:

- Invite written submissions from the local community or organs of state on the annual report.
- Make public all meetings at which the annual report will be discussed.
- Representatives of the Auditor-General are entitled to attend and to speak at any meeting that deals with the annual report.
- Engage in a process of public participation on the annual report.

Pursuant to the above, the Municipal Public Accounts Committee develop a schedule by which it was going to implement its oversight processes and inviting communities and interested parties to its meetings. Below are the scheduled meetings and the number of members of the committee who were in attendance where the committee solicited responses from various directorates and stakeholders. These meetings were open to public:





Department	Meeting	Venue	Scheduled	Actual	Number of people in attendance		Total number of people in attendance
In Committee	Analysis of the annual report 2024/25	Mpekweni	16-20 February 2026	16-20 February 2026	MPAC members	9	43
					Officials	31	
					AGSA	1	
					CoGTA	2	
<ul style="list-style-type: none"> <li>• Spatial Planning and Development</li> <li>• Sport, Recreation and Community Development</li> <li>• Economic Development and Agencies</li> </ul>	Public hearings	Skenjana Roji Community Hall Bhisho	9 March 2026	13 March 2026	MPAC members	7	288
					MMCs	1	
					Councilors	7	
					Officials	51	
					Public (excl. online)	222	
					CoGTA	1	
<ul style="list-style-type: none"> <li>• Public Safety and Emergency Services</li> <li>• Human Settlement</li> <li>• Solid Waste and Environmental Management</li> </ul>	Public hearings	NU10 Community Hall- Mdantsane	11 March 2026	16 March 2026	MPAC members	7	193
					MMCs	3	
					Councilors	5	
					Officials	26	
					Public (excl. online)	149	
					Political Parties	2	
<ul style="list-style-type: none"> <li>• Corporate Services</li> <li>• Finance Services</li> </ul>	Public hearings	City Hall	13 March 2026	17 March 2026	MPAC members	7	115
					MMCs	3	
					Councilors	1	
					Officials	26	
					CoGTA	1	
					Public (excl. online)	77	
<ul style="list-style-type: none"> <li>• BCMDA</li> <li>• Executive Support Services</li> <li>• Infrastructure Services (Water and Sanitation)</li> <li>• External Stakeholders Submissions</li> </ul>	Public hearings	City Hall	16 March 2026	19 March 2026	MPAC members	7	128
					MMCs	3	
					Councilors	3	
					BCMM Portfolio heads	3	
					Officials	38	
					Public (excl. online)	67	
					Officials	4	

(ATM)					Sector Department	5	
					Political Parties	1	
					Media	1	
Department	Meeting	Venue	Scheduled	Actual	Number of people in attendance		Total number of people in attendance
<ul style="list-style-type: none"> <li>• Speaker</li> <li>• Accounting Officer</li> <li>• Infrastructure</li> </ul>	Public Hearings (hybrid)	Crawfords Beach Hotel	19 March 2026	23 March 2026	MPAC members	7	32
					MMCs	1	
					Councilors	2	
					Officials	21	
					Sector Department	1	
Public	Online						
• In Committee	Compilation of the oversight report 2024/2025	Crawfords Beach Hotel	18-20 March 2026	22-25 March 2026	MPAC	7	16
					Officials	8	
					CoGTA	1	
<ul style="list-style-type: none"> <li>• Executive Mayor</li> <li>• BCMDA</li> </ul>	Public Hearings (hybrid)	Mpekweni Beach Resort	23 March 2026	21 April 2026 (Could not continue due to technical challenges)	MPAC members	6	20
			19 March 2026 (Appeared)		MMCs	2	
					Officials	12	
<ul style="list-style-type: none"> <li>• Executive Mayor</li> <li>• BCMDA</li> </ul>	Public Hearings	NU10 Community Hall- Mdantsane	24 April 2026	24 April 2026	MPAC members	7	123
					MMCs	1	
					Officials	16	
					Public (excl. online)	100	

**7. ANNUAL REPORT CHECKLIST**

<b>Content of the Annual Report</b>	<b>Yes/No</b>
a) Annual Financial Statement of the Municipality	Yes
b) Auditor General Report on the Annual Financial Statements	Yes
c) Annual Performance Report of the Municipality prepared by the Municipality in terms of Section 46 of the Municipal Systems Act, 32 of 2000	Yes
d) Auditor General's report in terms of Section 45(b) of the Municipal Systems Act, 32 of 2000	Yes
e) An assessment by the accounting officer of any arrears on municipal taxes and services	Yes
f) An assessment by the Municipality's accounting officer of the Municipality's performance against measurable performance objectives referred to in Section 17(3)(b) for revenue collection from each revenue source and for each vote in the Municipality's approved budget for the relevant financial year	Yes
g) Particulars of corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (c)	No
<b>Content of the Annual Report</b>	
h) Any explanation that maybe necessary to clarify issues in connection with the financial statements	Yes
i) Any information as determined by the Municipality	Yes
j) Any recommendations of the municipal audit Committee	Yes
k) Any other information as may be prescribed	Yes

**8. HIGH LEVEL ANALYS OF THE ANNUAL REPORT**

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Segment	Findings		Recommendations
	2023/2024	2024/2025	
Presentation	<ul style="list-style-type: none"> <li>The format of the annual report complies with the MFMA Circular 63 and the format as per the Annual Report Template in Work and Excel Formats.</li> </ul>	<ul style="list-style-type: none"> <li>The format of the annual report complies with the MFMA Circular 63 and the format as per the Annual Report Template in Work and Excel Formats.</li> </ul>	Continue monitoring to ensure that the reporting template conforms to the new reforms when necessary
Editorial	<ul style="list-style-type: none"> <li>Most of the narratives are not in the text boxes as required by the guidelines.</li> <li>There are no spaces between the paragraphs for most of the narratives in the report</li> <li>Different font and font sizes have been used through the report.</li> <li>Tables have no borders which makes it difficult to identify text and numbers in rows and columns respectively</li> </ul>	<ul style="list-style-type: none"> <li>Most of the narratives are not in the text boxes as required by the guidelines.</li> <li>There are no spaces between the paragraphs for most of the narratives in the report</li> <li>Different font and font sizes have been used through the report.</li> <li>Tables have no borders which makes it difficult to identify text and numbers in rows and columns respectively</li> </ul>	Management should not only ensure that the annual report conforms to the requirements but must also fulfil all the requirements of the templates and place texts in the relevant boxes and tables.
Table T 1.2.1	None	Does not include municipal entity as required by the template	Management should ensure that all required information is provided to ensure a valid, comprehensive, complete, reliable and useful information
Table T 1.2.2	Municipal demographics don't depict whether it was Statistics SA Census or Community Survey and which year the information relates to.	<ul style="list-style-type: none"> <li>The source information does not provide the year in which the information was collated.</li> </ul>	Management should ensure that the source provide the year in which the information was provided.
Table T 1.2.3	Household Data sourced from SA9, years 2021/2022 to 2023/2024 doesn't show the method of data collection	<ul style="list-style-type: none"> <li>Females and males aged 514 and females and males aged 15-34 do not provide the same result when computed on the Excel spreadsheet of the Annual Report Template of 2012.</li> <li>Some information on the table is omitted, e.g. number of households in the municipal area number and number of poor households in the municipal area for 1996 to 2007</li> </ul>	Ensure that data provided is credible and that all the required fields are populated
Table T 1.2.4	Socio-economic status also does not show the source of data	<ul style="list-style-type: none"> <li>Socio-economic status also does not show the source of data</li> </ul>	Sources of information must be acknowledged at all times

Segment	Findings		Recommendations
	2023/2024	2024/2025	

Segment	Findings		Recommendations
	2023/2024	2024/2025	

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table T 1.2.6	<b>Overview of neighbourhood</b> <ul style="list-style-type: none"> <li>The total population here is 920 700 whereas the total population in Table T 1.2.2</li> <li>Municipal demographics the total population is 975 249.</li> <li>This shows an overcount of 54 549 people in Table T 1.2.6 against Table 1.2.2</li> </ul>	<ul style="list-style-type: none"> <li>Provided a disclaimer for only providing total and not data for each row.</li> </ul>	<ul style="list-style-type: none"> <li>Engage with Statistic South Africa for the updated information.</li> </ul>
Table T 1.2.7	None	<ul style="list-style-type: none"> <li>The information provided is unreadable</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that the information is legible.</li> </ul>
Table T 2.9.1		<ul style="list-style-type: none"> <li>The report does not reflect on challenges contributing to delays to gazette the bylaws as public participation was long concluded before end of the financial year</li> </ul>	<ul style="list-style-type: none"> <li>Management to indicate reasons on delays to finalise the by-laws for approval by Council to gazette for implementation. Management to fast track and finalise before end on the 2024/25 financial year.</li> </ul>
Table T 2.10.1		<ul style="list-style-type: none"> <li>Table updated; however, concern raised on navigating the website as it is not user friendly in terms of structure/ archiving with information being all over. F</li> </ul>	<ul style="list-style-type: none"> <li>Management to revise the structure of the website so that navigation is easy with information well packaged for ease of access for the community.</li> </ul>
Table T 2.11.2		<ul style="list-style-type: none"> <li>No satisfaction survey conducted</li> </ul>	<ul style="list-style-type: none"> <li>Council has repetitively requested that this be conducted. Accounting Officer should ensure that the first Community Satisfaction Survey is conducted and presented to Council within 6 months from approval of the 2024/25 Oversight Report.</li> </ul>
Table T 3.1.2		<ul style="list-style-type: none"> <li>Table reflects 0 usage for Agriculture and Forestry Sectors</li> </ul>	<ul style="list-style-type: none"> <li>Management must narrate on the matter for proper refence and understanding of the template, e.g. that the municipality does not provide these sectors with water.</li> </ul>
Table T 3.1.3		<ul style="list-style-type: none"> <li>Statistics have not changed over the 3-year reporting</li> </ul>	<ul style="list-style-type: none"> <li>Table statistics stagnant, has BCMM for 3-years not had any housing developments that required water connections and secondly table does not have the exponential zeros ('000).</li> </ul>

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table T 3.1.4		<ul style="list-style-type: none"> <li>Table does not reflect exponential zero's</li> </ul>	Table statistics stagnant, has BCMM for 3-years did not have any housing developments that required water connections and secondly table does not have the exponential zeros ('000).
Table T 3.1.5	None	Table on Access to Water not in report	Management to ensure table is included in report.
Table T 3.1.6		<ul style="list-style-type: none"> <li>Table not legible</li> </ul>	Management to ensure that table is legible
Table T 3.1.7		<ul style="list-style-type: none"> <li>Narration not included</li> </ul>	Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform with the current staff as reflected in table.
Table T 3.1.8		<ul style="list-style-type: none"> <li>Narration not included</li> </ul>	Management to include narration to give context to the table
Table T 3.1.9		<ul style="list-style-type: none"> <li>Narration not included</li> </ul>	Management to include narration to give context to the table by highlighting the various capital projects for easy understanding by community.
Table T 3.2.3		<ul style="list-style-type: none"> <li>Accuracy of information reflected</li> </ul>	Management to confirm whether information is a true reflection as "bucket toilet" is not reported on and we know that W45 still utilize a bucket system. Management to also confirm accuracy of reported information.
Table T 3.2.4		<ul style="list-style-type: none"> <li>Table is incomplete</li> </ul>	Management to ensure information in table is complete, currently actuals for 2021/2022 and 2022/2023 information is blank. Management to also confirm accuracy of reported information.
Table T 3.2.6		<ul style="list-style-type: none"> <li>Table incomplete</li> </ul>	Service Targets from the IDP not reflected in template under the column, Outline Service Targets.

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table T 3.2.7		<ul style="list-style-type: none"> <li>Narration not included</li> </ul>	<p>Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform with the current staff as reflected in table especially given that the department is understaffed.</p>

Segment	Findings		Recommendations
	2023/2024	2024/2025	

Segment	Findings		Recommendations
	2023/2024	2024/2025	

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table 3.2.8	None		to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Tables 1-7		<ul style="list-style-type: none"> <li>• Page 167-170, no narrations.</li> <li>• Table 5 -Tariff codes</li> </ul>	Management to include narrations to give context to tables. Table 5, tariff codes in table to be explained
Table T 3.3.3		<ul style="list-style-type: none"> <li>• Table does not reflect exponential zero's</li> </ul>	Table does not reflect exponential zero's Is reflected information a true representation as stagnation of statistics is worrisome
Table T 3.3.4		<ul style="list-style-type: none"> <li>• Table does not reflect exponential zero's</li> </ul>	Table does not reflect exponential zero's Is reflected information a true representation as stagnation of statistics is worrisome
Table T 3.3.5		<ul style="list-style-type: none"> <li>• Table incomplete</li> </ul>	Service Targets from the IDP not reflected in template under the column, Outline Service Targets.
Table T 3.3.6		<ul style="list-style-type: none"> <li>• Narration not included</li> </ul>	Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform
Table T 3.3.7		<ul style="list-style-type: none"> <li>• Narration not included</li> </ul>	Management to include narration to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Table: High mast lights		<ul style="list-style-type: none"> <li>• Page 175: GPS Coordinates</li> </ul>	What is the rationale of coordinates, advised removing.
Table T 3.4.2		<ul style="list-style-type: none"> <li>• Stagnation of information</li> </ul>	Is information correct and validated as information reflected is stagnant over the 4-year comparison period
Table T 3.4.2		<ul style="list-style-type: none"> <li>• Stagnation of information</li> </ul>	Is information correct and validated as information reflected is stagnant over the 4-year comparison period
Table T 3.4.2		<ul style="list-style-type: none"> <li>• Table not legible</li> </ul>	Management to ensure table is legible

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table T 3.4.5	None		to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform
Table T 3.4.6		• Narration not included	Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform  Report must also reflect on the participants recruited into the table.
Table T 3.4.7		• Narration not included	Management to include narration to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Table T 3.4.8		• Narration not included	Management to include narration to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Table T 3.4.9		• Narration not included	Management to include narration to give context to the table by highlighting the various capital projects for easy understanding by community.
Table T 3.5.3		• Table not legible	Management to ensure table is legible
Table T 3.5.4		• Narration not included	Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table T 3.5.5		• Narration not included	Management to include narration to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Table T 3.5.6	None		to give context to the table by highlighting the various capital projects for easy understanding by community.
Table T 3.6.3		• Statistics incorrect	Statistics of percentage presented in table do not reconcile
Table T 3.7.2		• Narration not included	Include narration to give context to table
Table T 3.7.3		• Narration not included	Include narration to give context to table
Table T 3.7.4		• Narration not included	Include narration to give context to table
Table T 3.7.6		• Table not legible	Management to ensure table is legible
Table T 3.7.7		• Narration not included	Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform
Table T 3.7.8		• Narration not included	Management to include narration to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance. Management in the narration to reflect on challenges to perform as the municipality has budgeted however expenditure was low.
Table T 3.7.9		• Statistics incorrect	Statistics of percentage presented in table do not reconcile
Table T 3.8.2		• Information not available must be sourced	Management to ensure that relevant data is kept for correct and complete reporting, the unavailability of information is not available

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table T 3.8.4		• Narration not included	Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform

Table T 3.8.5	None		to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Table T 3.8.6		• Narration not included	Management to include narration to give context to the table by highlighting the various capital projects for easy understanding by community.
Table T 3.9.5		• Table not legible	Management to ensure table is legible
Table T 3.9.6		• Narration not included	Management to include narration to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform
Table T 3.9.7		• No information	Management to complete table and include narration to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Table T 3.9.8		• Narration not included	Management to include narration to give context to the table by highlighting the various capital project for easy understanding by community.
Table T 3.10.2		• Information incomplete	Management to complete table, column on Built Environment not populated

Segment	Findings		Recommendations
	2023/2024	2024/2025	
Table T 3.10.3		<ul style="list-style-type: none"><li>• Accuracy of information concerning</li></ul>	Management makes reference to delays in processing building plans due to Covid-19 pandemic and national lockdown regulations and disruptions. Clearly management information is misleading and alarming to reflect such a statement when lock-down was 5-years ago. Information to be updated correctly

		Recommendations	
Segment	Findings		
	2023/2024	2024/2025	
Table T 3.10.4	None	<ul style="list-style-type: none"> <li>• Narration not included</li> </ul>	to give context to the table, especially the variances reflected. Management should also reflect on the efficiency and effectiveness of the department to perform
Table T 3.10.5		<ul style="list-style-type: none"> <li>• Narration not included</li> </ul>	Management to include narration to give context to the table. Furthermore, management must reflect on the financial performance in relation to the department's performance.
Table T 3.10.6		<ul style="list-style-type: none"> <li>• Narration not included</li> </ul>	Management to include narration to give context and explain why budget allocation was taken during mid-year adjustment
Table T 3.11.3 – T 3.28.6		<ul style="list-style-type: none"> <li>• Narration not included</li> <li>• Table not legible</li> </ul>	Management to include narration to give context to the table/table not legible
T 3.24.3		<ul style="list-style-type: none"> <li>• Executive and Council Policy Objectives</li> </ul>	Report must focus on 2024/25 financial year, rather than 2023/2024 financial year
Table T 4.1.2		<ul style="list-style-type: none"> <li>• Total approved posts</li> </ul>	Reported information must be whole numbers, a post cannot be filled by half a person
Table T 4.6.1		<ul style="list-style-type: none"> <li>• Workforce expenditure</li> </ul>	Management to populate exact figure for expenditure pattern, it is unacceptable to state that actuals within budget
Table T 4.6.3		<ul style="list-style-type: none"> <li>• Employees – Remuneration level</li> </ul>	Reflect exact remuneration level of each employee
Table T 5.1.1 – T 5.10.4		<ul style="list-style-type: none"> <li>• Financial tables - Figures reflected in tables are not as per audited financial statements</li> </ul>	Management to ensure tables align with the AFS
Appendix B		<ul style="list-style-type: none"> <li>• Committees (other than mayoral/ executive committee) and purposes</li> </ul>	Reflected Committees incorrect need to be updated
Appendix C		<ul style="list-style-type: none"> <li>• Third Tier Administrative Structure</li> </ul>	Structure reflected is not that of 2024/25 financial year, trading services (water and Sanitation, and Electricity and Energy) were still under Infrastructure
Appendix E		<ul style="list-style-type: none"> <li>• Ward reporting</li> </ul>	Table incomplete

Recommendations

Segment	Findings		
	2023/2024	2024/2025	
Appendix G	None	<ul style="list-style-type: none"> <li>• Municipal Audit Committee</li> </ul>	Information provided incomplete, management must have included the committee composition and functionality. Should indicate the committee recommendations of 2024/25 and include adoption date per resolution.
Appendix H		<ul style="list-style-type: none"> <li>• Long-term contracts</li> </ul>	Management must reflect on the long-term contracts in the municipality together with performance management report in line with SCM Regulation.
Appendix J		<ul style="list-style-type: none"> <li>• Disclosure of financial interest</li> </ul>	Must be reflected in alphabetical order and ensure information in all cells is complete and not left blank, if not applicable, indicate N/A

## 9. COMMENTS ON THE COMPONENTS OF THE ANNUAL REPORT

Legislative Requirement	Compliances	Response	Recommended Correction Action
Section 121(3) of the Municipal Finance Management Act, 56 of 2003-Annual Financial Statements	Have Annual Financial Statements of the Municipality and that of the municipal entity been included in the annual report	Yes Refer to pages page 1 after page 995: Audited Consolidated Annual Financial Statements for the year ended 30 June 2025	None
	Are both the annual financial statements and annual performance report been audited	Yes • Refer to pages 140-556: Chapter 3-Service Delivery Performance (Performance Report Part 1); • Audited Annual Financial Statements for the year ended 30 June 2025 of the Buffalo City Metropolitan Municipality and Development Agency respectively	None
	Are the Annual Financial Statements compliant with GRAP	Unsure-non-submission of the audit report contribute to doubt	Ensure that the report undergo all the assurance processes to guard against the submission of incomplete report.
	Is the audit report been included in the tabled annual report	No	Ensure that the Audit Action Recovery Plan addresses issued raised by the Auditor General on the Annual Financial Statements.
	Any explanations that may clarify issues in connection with the financial statements	Yes Refer to the notes to the Annual Financial Statements.	None
Section 121(3) of the Municipal Finance Management Act, 56 of 2003-Annual Financial Statements	Any assessment by the accounting officer on arrears on municipal taxes and service charges	Yes	None
	Any comment by the Audit Committee in relation to the Annual Financial Statements and the Annual Performance Report	No	Ensure that the report undergo all the assurance processes to guard against the submission of incomplete report.
	The Audit Report was only submitted in February 2026 when the oversight process has already started	The Audit Report was only submitted in February 2026 when the oversight process has already started	Ensure that the report undergo all the assurance processes to guard against the submission of incomplete report.
Supply Chain Management Regulations and Policy	Has certain disclosures of the supply chain management matters been included in the annual report	No The are no disclosures of the supply chain management matters included in the annual report another than the tenders awarded in the Buffalo City Metropolitan Municipality Development Agency	Management to provide all the disclosures of the supply chain management matters in the annual report as required by Supply Chain Management Regulations and Policy

Section 123 of the Municipal Finance Management Act, 56 of 2003-Division of Revenue Act	Has the Municipality had any allocations per Division of Revenue Act delayed or withheld	Yes	Ensure that all the grant allocation received for the year under review are spent.
Is there any disclosure on allocation made by the Municipality to organ of state, municipal entity or other Municipality		None	None

Legislative Requirement	Compliances	Response	Recommended Correction Action
Section 123 of the Municipal Finance Management Act, 56 of 2003-Division of Revenue Act	Are all compulsory disclosures contained in the notes to the Annual Financial Statements	Yes	None
Section 124(3)-Disclosures of Councillors, directors and officials in the notes to the Annual Financial Statements	Has the Municipality complied with the conditions of the grant	Refer to the Annual Financial Statements-Note 2 on page 42 to Note 75 on page 127	None
Section 124(3)-Disclosures of Councillors, directors and officials in the notes to the Annual Financial Statements	Have the salaries, allowances and benefits paid to Councillors and the Accounting Officer, chief financial officer and senior managers been disclosed	Yes	None
Section 124(3)-Disclosures of Councillors, directors and officials in the notes to the Annual Financial Statements	Is there a statement by the accounting officer, stating that salaries, allowances and benefits paid to Councillors are within the upper limits of the framework envisaged in Section 219 of the Constitution	Refer to note 38 on pages 87 to 92 of the Annual Financial Statements	None
Section 124(3)-Disclosures of Councillors, directors and officials in the notes to the Annual Financial Statements	Have arrears for rates and service owed by Councillors, in which the arrears were more than 90 days been disclosed including the name of the Councillor	Yes	Follow-up why it was not disclosed
Section 46 of the Municipal Systems Act, 32 of 2000-Annual Performance Report	Have salaries of the board of the municipal entity, chief executive officer and senior managers been disclosed	Refer to note 38 on pages 87 to 92 of the Annual Financial Statements	None
	Has the performance report been included in the annual report	Yes	None
		Refer to pages 133-556: Chapter 3-Service Delivery Performance	

			(Performance Report Part 1) and pages with no page numbers between 460 and pages after page 461: Component K-Organisational Performance Scorecard	
	Have all the performance targets set in the budget, service delivery and budget implementation plan, service agreements and annual performance plans been included in the report	Yes	Refer to pages 133-556: Chapter 3-Service Delivery Performance (Performance Report Part 1) and pages with no page numbers between 460 and pages after page 461: Component K-Organisational Performance Scorecard	None
	Does the performance evaluation in the annual report compare actual performance with targets expressed in the budget and the service delivery and budget implementation plan approved in the financial year	Yes	Refer to pages 133-556: Chapter 3-Service Delivery Performance (Performance Report Part 1) and pages with no page numbers between 460 and pages after page 461: Component K-Organisational Performance Scorecard	None

Legislative Requirement	Compliances	Response	Recommended Correction Action
Section 46 of the Municipal Systems Act, 32 of 2000-Annual Performance Report	<p>In terms of key functions or services, how has each performed To what extent have targets been met</p> <p>Are Council and community satisfied with the performance What actions have been taken and planned to improve performance</p> <p>Does the targets set in the budget, service delivery and budget implementation plan agree the targets set in the performance agreements of the Accounting Officer and senior managers</p>	<p>Performance Information</p> <p>It is concerning that the auditors as per paragraph 25 of the audit report, after auditing the performance information, could only perform procedures for the purpose of reporting material findings only, and the auditors could not express an assurance opinion or conclusions. In simple terms this means that the audit opinion on performance information is a disclaimer.</p>	<p>Management to develop and approve a Standard Operating Procedure on the development of the Service Delivery and Budget Implementation Plan and the compilation of the Portfolio of Evidence</p>

	<p>The following objectives presented in the annual performance report were selected to measure the municipality's performance on its primary mandated functions and that are of significant national, community or public interest:</p> <p>A Green City A Connected City</p> <p>It is also concerning that when audit was done on the various indicators measuring the achievements of the above objectives, adequate processes had not been established to consistently measure and reliably report on various indicators, which would have made it difficult for the auditors to determine the correct achievements to be reported against the planned targets. Below are the indicators in question:</p>
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Legislative Requirement	Compliances	Response	Recommended Correction Action
Section 46 of the Municipal Systems Act, 32 of 2000 Annual Performance Report	<p>In terms of key functions or services, how has each performed</p> <p>To what extent have targets been met</p> <p>Are Council and community satisfied with the performance</p> <p>What actions have been taken and planned to improve performance</p>	Due to the incomplete performance information, AGSA did not provide insight on the performance	Management to develop and approve a Standard Operating Procedure on the development of the Service Delivery and Budget Implementation Plan and the compilation of the Portfolio of Evidence

<p>Section 46 of the Municipal Systems Act, 32 of 2000 Annual Performance Report</p>	<p>Does the targets set in the budget, service delivery and budget implementation plan agree the targets set in the performance agreements of the Accounting Officer and senior managers</p> <p>Does the report evaluate the efficiency of mechanism applied to deliver the performance outcomes</p>	<p>No</p> <p>Auditor General found material inadequacies in the planning, implementation, monitoring, collation and reporting processes in the compilation of the annual report.</p>	<p>Management to develop and approve a Standard Operating Procedure on the development of the Service Delivery and Budget Implementation Plan and the compilation of the Portfolio of Evidence</p>
<p>Performance of municipal entities and municipal service providers</p>	<p>Considering the audit report and opinion and the views of the audit Committee, is performance considered to be efficient and effective</p> <p>What actions have been taken and planned to improve performance</p>	<p>No</p> <p>MPAC has recommended that management develop and approve standard operating procedures</p>	<p>Management to develop and approve a Standard Operating Procedure on the development of the Service Delivery and Budget Implementation Plan and the compilation of the Portfolio of Evidence</p> <p>Management to develop and approve a Standard Operating Procedure on the development of the Service Delivery and Budget Implementation Plan and the compilation of the Portfolio of Evidence</p> <p>Management should include all the requirement of the annual reporting template as required by Municipal Finance Management Act, 56 of 2003 Circular 63</p>
<p>Performance of municipal entities and municipal service providers</p>	<p>Has assessment been included in the annual report on the performance of the municipal entities</p> <p>Has the assessment been included in the annual report on the performance of all contract service providers</p>	<p>No</p> <p>No</p>	<p>Management should include all the requirement of the annual reporting template as required by Municipal Finance Management Act, 56 of 2003 Circular 63</p>
<p>Section 127(2); 130(1)(2)(3) of the Municipal Finance Management Act, 56 of 2003, and Section 21A of the Municipal Systems Act, 32 of 2000-Public Participation</p>	<p>Was the public invited to the Council sitting where the annual report was considered</p>	<p>Yes</p> <p>See council meeting of March 2025 and the advert</p>	<p>None</p>

Legislative Requirement	Compliances	Response	Recommended Correction Action
Section 127(2), 130(1)(2)(3) of the Municipal Finance Management Act, 56 of 2003, and Section 21A of the Municipal Systems Act, 32 of 2000-Public Participation	Did the accounting officer make public the annual report	Yes	None
Section 127(2), 130(1)(2)(3) of the Municipal Finance Management Act, 56 of 2003, and Section 21A of the Municipal Systems Act, 32 of 2000-Public Participation	Was the annual report submitted to the Auditor General, Provincial Treasury and Department of Corporative Governance and Traditional Affairs	Yes	None
Written Comments	Did the Municipality receive any written submission on the annual report	Yes	None

## 10. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS

### 10. 1 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON ACCOUNTABILITY ECOSYSTEM RESPONSES

#### 1. Executive Mayor

##### Overall Assessment

The document reveals a significant disconnect between the severity of the issues raised by MPAC and the adequacy, specificity, and accountability demonstrated in the Executive Mayor's responses. While the Executive Mayor acknowledges the challenges of non-performance, unauthorised expenditure, and a "going concern" warning, the responses are often procedural, technically evasive, or defer responsibility to unnamed "processes" or "committees."

The Executive Mayor's responses fail to demonstrate the personal accountability and decisive leadership required to address the metro's deep-seated financial and governance crises. The 2024/2025 column of questions highlights critical failures in financial management, performance accountability, and service delivery, yet the responses largely avoid answering "who," "when," and "how," which are essential for oversight.

##### Analysis

##### Root Cause

**Consequences for Non-Performance (Page 3)**-MPAC asks for a specific example of a senior manager sanctioned for poor performance.

##### Executive Mayor's Response

The response states the Accounting Officer "will be held accountable" and that oversight committees are strengthened. It does not provide a specific example of sanctions.

##### Risk

##### Legal and Financial Risk: High.

- The response confirms a culture of impunity. Failure to implement consequence management is a direct violation of Section 57 of the Municipal Systems Act.
- This non-enforcement perpetuates poor service delivery and financial mismanagement, increasing the risk of future litigation from the community for service delivery failures.
- It signals to senior management that poor performance has no real repercussions.

##### Root Cause

**Unauthorised Expenditure (Pages 3-4)**-MPAC asks how R646.82 million in unauthorised expenditure happened and who is taking responsibility.

##### Executive Mayor's Response

The response states the expenditure was not due to "negligence or misconduct" but the "technical nature of the accounting treatment." It cites controls like monthly reports and cost containment policies.

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## Risk

### Legal and Financial Risk: Critical.

- This is a high-risk denial of accountability. Attributing R 646.82 million in unauthorised expenditure to a "technical" error is an untenable defence under the Municipal Finance Management Act, 56 of 2003.
- This exposes the Accounting Officer to potential charges of financial misconduct.
- The reliance on "controls" is contradicted by the fact that the expenditure occurred, indicating the controls failed.
- The risk of a disclaimed audit opinion and potential Provincial or National Treasury intervention is imminent.

## Root Cause

"Going Concern" Warning (Page 5)-MPAC asks for an emergency plan to stabilize cash flow and pay creditors within 30 days.

### Executive Mayor's Response

The response cites improved liquidity ratios but admits the City "is not able to pay our current liabilities as they fall due." It refers to a 15% spending reduction from a December 2023 adjustment budget as the "financial recovery plan."

## Risk

### Financial Risk: Critical.

- The response confirms the severity of the "going concern" warning. A financial recovery plan based on a 15% reduction of contracted services (from over a year ago) is not a credible "emergency plan."
- The inability to pay current liabilities within 30 days cripples service delivery, jeopardizes supplier relationships, and leads to litigation and potential supply chain disruptions, further destabilizing the metro's finances.

## Root Cause

**Revenue Collection and Debt (Pages 5-6)**-MPAC asks for new strategies to improve collection and reduce impairment.

### Executive Mayor's Response

The response focuses on legal collection (which is slow) and "citizen engagement" campaigns. It mentions an "intention to deal with meter tampering."

## Risk

### Financial Risk: High.

- The response lacks a new or aggressive strategy. It confirms that traditional credit control is ineffective ("debt continues to grow").

- There is no quantified target for collection rates or reduction in impairment.
- The mention of "intention" (not a plan) to deal with meter tampering is vague.
- The risk is an accelerating erosion of the revenue base, making the city financially unviable.

#### **Root Cause**

**Audit vs. Reality (Pages 6-7)**-MPAC notes a finding that officials "manage the audit process" rather than fix underlying problems.

#### **Executive Mayor's Response**

The response states the Audit Action Plan addresses all findings, and the Governance unit does quarterly followups.

#### **Risk**

##### **Governance Risk: High.**

- The response confirms the existence of an action plan but does not address the MPAC's core concern about a reactive, compliance-focused culture.
- The risk is that the city remains focused on achieving a clean audit for its own sake, rather than using the audit as a tool for genuine, sustainable improvement.
- This leads to a cycle of repeat findings and superficial fixes.

#### **Root Cause**

**Consultancy Reduction and Skills Transfer (Pages 9-10)**-MPAC asks for a legally binding skills transfer plan and a public reduction plan within 30 days.

#### **Executive Mayor's Response**

The Mayor "believes" the City should consider a Consultancy Management Strategy and suggests it be managed by the Accounting Officer.

#### **Risk**

##### **Financial and Governance Risk: High.**

- The response is an opinion, not a commitment.
- The MPAC's specific 30-day request for a public plan is not agreed to.
- The failure to develop a formal reduction plan, as previously noted by the Auditor-General, is an instance of repeated findings.
- The risk is continued wasteful expenditure on consultants without building internal capacity, creating a permanent dependency that undermines institutional memory and inflates operating costs.
- Systems appear to be failing or are not there, there is a need for integration and for departments to stop operating in silos

## Key Risks Summary

### Legal Risk:

- **Unauthorised Expenditure:** The Accounting Officer (Accounting Officer) is at significant risk of being found in violation of Sections 32 and 34 of the MFMA for failure to prevent and report on unauthorised expenditure. The Mayor's response that it was a "technical" issue does not absolve the Accounting Officer of legal responsibility.
- **Consequence Management:** Failure to act against senior managers for poor performance as required by the Municipal Systems Act (Chapter 8) exposes the municipality to legal challenges regarding its duty to ensure an effective and efficient administration.
- **Financial Risk (Viability & Sustainability):**
- **Going Concern:** The admission of being unable to pay current liabilities is a primary indicator of a "going concern" risk. This will likely result in an emphasis of matter from the AGSA, deter potential investors, and could lead to National Treasury placing the municipality under administration.
- **Revenue Base Erosion:** The ineffective collection and inability to deal with technical losses (meter tampering) will continue to erode the revenue base, leading to more cash flow crises, service delivery collapse, and unsustainable debt levels.
- **Consultant Dependency:** Without a mandated, monitored reduction plan, the costs associated with consultants will continue to escalate without a corresponding increase in internal capacity, creating a recurring, unsustainable expenditure pattern.

### Recommendations to Council

To exercise its oversight role effectively, the Council should adopt the following recommendations:

#### 1. Demand Personal Accountability and Consequences

**Recommendation:** Request the Executive Mayor to appear before Council to provide, in writing and in person, a specific list of senior managers (Task Level 17 and above) against whom consequence management was implemented in the 2024/2025 financial year. The report must specify the individual, the transgression, and the sanction applied. If none exist, the Executive Mayor must explain the plan to initiate such processes immediately

#### 1. Compel Legal Compliance on Unauthorised Expenditure

**Recommendation:** Instruct the Accounting Officer, as the Accounting Officer, to provide a sworn affidavit detailing the "technical nature" of the R 646.82 million unauthorised expenditure, identifying the specific personnel who were responsible for the "technical" error, and stating the legal basis for not declaring this as a case of financial misconduct under the Municipal Finance Management Act, 56 of 2003, Council should consider requesting the Provincial Treasury to conduct an investigation.

#### 2. Mandate a Credible Financial Recovery Plan

**Recommendation:** Resolve that the Accounting Officer must present a comprehensive, time-bound reviewed Financial Recovery Plan within 30 days. This plan must:

- Quantify the cash shortfall and set specific monthly targets for creditor payments to move towards the 30-day payment goal.
- Include a detailed strategy for revenue enhancement with specific, measurable targets for collection rates and debt reduction.
- Outline a concrete plan to reduce technical and commercial losses, moving beyond an "intention" to a project plan with timelines and responsible managers.

### 3. Enforce Audit Action Plan Implementation

**Recommendation:** Resolve that the oversight function over the Audit Action Plan be strengthened. The Audit Committee must be required to report directly to Council on the implementation of actions, not just the completion of plan items. The focus must shift from "managing the audit" to demonstrating sustainable resolution of root causes.

### 4. Legislate a Consultancy Management Strategy

**Recommendation:** Instruct the Accounting Officer to draft a formal Consultancy Management Strategy for Council's approval within 60 days. This strategy must mandate that every contract for consultants includes a binding Skills Transfer Plan with measurable outputs, and that all consultant contracts be subject to a review to determine the necessity, cost, and planned exit strategy. The Accounting Officer must provide quarterly progress reports to Council on the reduction of consultancy expenditure.

## 2. Speaker

### Overall Assessment

The document reveals significant administrative and governance failures in the compilation of the Annual Report, particularly concerning the formal documentation of Council structures. While the Speaker's responses acknowledge these failures and propose corrections, they often deflect responsibility by characterizing them as "administrative" rather than "political" oversights.

Furthermore, responses regarding the Audit Committee highlight instability and procedural breakdowns but lack concrete, urgent action plans. The overarching risk is that these recurring issues—discrepancies, instability, and a reactive approach to compliance—will continue to undermine the Council's oversight capacity and lead to sustained negative audit outcomes.

### Findings

#### Finding 1: Discrepancy in Committee Structure Documentation

There is a fundamental inconsistency between the formal constitution of Section 79A and Section 80 committees (detailed in Chapter 2) and the list of committees presented in Appendix B of the Annual Report. The Speaker confirmed this discrepancy and acknowledged non-compliance with the Municipal Finance Management Act, 56 of 2003, Circular 63.

**Finding 2: Omission of Critical Information** • The Annual Report omitted the Metropolitan Geographical Names Committee entirely.

- The report failed to list the functions of committees and the names and political affiliations of councillors serving on them, violating the prescribed reporting template.

### **Finding 3: Instability in Audit Committee Leadership**

The Audit Committee operated with an Acting Chairperson following the resignation of the previous Chair. This has led to:

- Procedural questions regarding the legal authority of the acting chair to present an independent opinion.
- A breakdown in communication regarding meeting invitations for the Audit Committee.

### **Finding 3: Recurring Audit Findings**

The document notes the presence of recurring audit findings. While the Executive Mayor and Management are cited as "making all efforts" to reverse the qualified audit status, the Speaker's response implies a conflation of responsibility between the Executive (implementation) and the Audit Committee (monitoring).

#### **Assessment of Management Responses**

The Speaker's responses demonstrate an awareness of the problems but are often reactive and administrative in nature. The Municipal Public Accounts Committee should critically evaluate whether these responses sufficiently address the governance failures.

#### **Root Cause**

Committee Structure Discrepancy

#### **Response**

**Acknowledges the discrepancy**-Attributes it to an administrative error and a lack of quality assurance. States the current Chapter 2 is legally accurate. Promises to submit corrections to the Annual Report.

#### **Insight**

**Partially Addresses**-The response accepts responsibility but frames it as an administrative oversight. It does not explain how such a significant error passed through quality assurance. The promise to fix errors is a corrective action, not a preventative one.

#### **Root Cause**

Omission of MGNC

#### **Response**

Acknowledges the omission and states it "has been corrected."

#### **Insight**

**Addresses**-This is a straightforward acknowledgment and correction of an omission.

#### **Root Cause**

Audit Committee Instability and Authority.

### Response

States the Acting Chair is qualified (CA) and that the response regarding authority applies. Defends the process by noting political executives are not allowed to interfere.

### Insight

**Does Not Adequately Address**-The response fails to provide the legal or procedural authority for the acting chair. It deflects the question about interference by calling it "unfair." It offers no protocol to prevent future communication breakdowns.

### Root Cause

Recurring Audit Findings.

### Response

States that the Executive Mayor, Mayoral Committee, and Management are making efforts. Notes that MPAC members receive quarterly progress reports.

### Insight

**Deflects Responsibility**-The response shifts focus to the "joint effort" of the executive. It does not answer whether the recurring findings represent a failure of executive implementation or oversight monitoring. It fails to specify a single major recommendation tracked to implementation.

### Risks

- **Legal and Procedural Invalidity:** If committees were operating without formal constitution (as implied by the discrepancy between Chapter 2 and Appendix B), decisions made by those committees could be challenged, exposing the municipality to legal and reputational risk.
- **Weakened Oversight Capacity:** The instability in the Audit Committee and the communication breakdowns threaten its ability to act independently and effectively. A temporary chair may lack the authority or confidence to rigorously challenge the executive, leading to poor oversight of the financial statements, performance management and development system and internal controls.
- **Persistent Audit Findings:** The failure to decisively address recurring findings risks a continued qualified or adverse audit opinion. This erodes public trust, impacts the municipality's credit rating, and may trigger provincial or national intervention.
- **Synchronization Failure:** The disconnect between formal records (Chapter 2) and public reporting (Annual Report) suggests a systemic breakdown in record-keeping. If this is not fixed, future reports will continue to contain material inaccuracies, undermining the credibility of the Council's reporting.

### Recommendations to Council

The Council should adopt the following recommendations to ensure accountability and prevent recurrence:

#### On Governance and Committee Structures:

- **Demand a Binding Timeline:** Instruct the Speaker to submit a formal, binding timeline for the correction of the Annual Report (Annexures A and B) to ensure they legally reflect the current committee structures. This correction must be tabled at the next Council meeting for formal adoption.
- **Mandate a Record-Keeping Audit:** Direct the Accounting Officer to conduct a full audit of all recordkeeping processes related to committee formations, member lists, and terms of reference. The goal is to ensure that all public documents (Chapter 2, Annual Report Appendices, internal records) are permanently synchronized.
- **Enforce Reporting Standards:** Issue a formal directive that all future Annual Reports must strictly adhere to Municipal Finance Management Act, 56 of 2003 Circular 63, including the listing of all committee members, their parties, and their functions.

#### **On Audit Committee Stability and Oversight:**

- **Fast-Track Permanent Appointment:** The Council must formally request the Executive Mayor to prioritize and report on the timeline for the permanent recruitment of an Audit Committee Chairperson. The current "temporary" arrangement is a governance risk that must be resolved within a defined period (e.g., 60 days).
- **Establish Communication Protocol and Council Resolutions Register:** Mandate the Accounting Officer to implement and present a formal protocol for the timely distribution of meeting invitations, agendas, and reports to the Audit Committee to prevent future administrative breakdowns.
- **Strengthen Recommendation Tracking:** Require the Audit Committee to present a formal tracking report to the MPAC that maps each of its recommendations against the status of implementation by the Executive. This will clarify accountability for recurring findings.

#### **On Accountability for Recurring Findings:**

- **Clarify Roles in Accountability:** The Council must facilitate a workshop to clearly delineate the roles of the Executive (implementation of corrective measures), Internal Audit (verification), and the Audit Committee (oversight of both).
- This will prevent the merging of responsibilities that currently obscures accountability for recurring findings.

#### **On Municipal Public Accounts Committee's Role:**

- **Reinforce Municipal Public Accounts Committee Authority:** The Municipal Public Accounts Committee should formally note the Speaker's admission of non-compliance with MFMA Circular 63. The Council should use this as a precedent to emphasize that administrative errors are not an acceptable defence for non-compliance, and that the Speaker (as the political head of the Council's governance) holds ultimate responsibility for the accuracy of the Council's formal records.

### **3. Accounting Officer**

#### **Overall Assessment**

The management responses demonstrate a high level of awareness of the technical flaws (the "what") but often provide generic, process-oriented solutions (the "how") that do not directly confront the human and cultural root causes (the "why") identified in the audit findings. The responses risk being interpreted as "box-ticking" exercises that may treat symptoms rather than curing the systemic dysfunction.

#### **1.Addressing the Deterioration in Audit Findings and Performance Reporting**

**Root Cause:**

- Reported achievements are unreliable, unverifiable, and based on flawed data.
- Inadequate coordination between directorates and the PMS unit.
- Indicators and targets are not well-defined, measurable, or verifiable.

**Analysis:**

The response outlines several mechanisms (audit action plans, root cause analysis, a dedicated Performance Audit Committee, and a performance management committee). While these are *appropriate structural responses*, they are largely procedural.

**Does it address the root cause?** Partially.

The response focuses heavily on oversight and monitoring (creating new committees, strengthening SOPs). It does not explicitly address the **capability or willingness** of the line directorates to provide accurate data. The root cause of "inadequate coordination" is not solved by creating another committee; it is solved by enforcing consequences for non-coordination.

**Risk if not addressed:** The creation of new committees (Performance Audit Committee, Performance Management Committee) could lead to "committee fatigue" and a false sense of security. If these bodies meet but lack the authority to sanction non-compliant Directorates, the municipality risks creating an *illusion of oversight* without actual improvement in data quality. The risk remains that the 2025/2026 Annual Report will still be based on unverifiable data, leading to a repeated disclaimer of opinion from the Auditor-General.

**2. Procurement Irregularities and Financial Losses****Root Cause:**

- Deviations approved even when it was not impractical to call for bids.
- Contracts awarded to bidders not registered with CIDB (incorrect criteria).
- Irregular expenditure causing financial losses and reduced funds for service delivery.

**Analysis:**

The responses here are the most problematic. They provide technical justifications for specific deviations but avoid addressing the systemic culture of non-compliance.

**Deviations:** The response provides two examples of deviations (Zoo animals and Security during a strike) as justification. However, the root cause is the systematic abuse of deviations. By citing specific examples where deviations might be justified, the response fails to address the core finding that deviations occur even when competitive bidding is possible.

**CIDB Non-Compliance:** The response shifts responsibility to the "Bid Committee" and notes that investigations "will be undertaken." This is a passive response to an active failure.

**Financial Impact:** The response notably avoids quantifying the financial losses or identifying affected service delivery projects, despite being directly asked to do so.

**Does it address the root cause?** No.

The response justifies the existence of deviations rather than explaining how the system will prevent future unjustified deviations. The mention of "business continuity" and "service delivery disruptions" as reasons for deviations implies a risk-averse culture that uses urgency as a pretext to bypass competitive processes.

**Risks:**

**Escalation of Irregular Expenditure:** If deviations are treated as standard operating procedure rather than exceptions, irregular expenditure will continue to balloon. The Auditor-General is likely to classify this as a "significant deficiency" in leadership, potentially leading to a disclaimer or adverse audit opinion.

**Litigation and Contractual Disputes:** The failure to adhere to CIDB regulations invites legal challenges from disqualified bidders. Contracts awarded to unregistered contractors may be invalidated, leading to halted service delivery projects and potential liability for costs already incurred.

**Resource Drain:** By refusing to quantify the financial impact (higher prices paid, delay costs), management obscures the true cost of possible corruption and incompetence. This prevents the council from holding specific officials accountable for the loss of public funds that could have been used for roads, water, or sanitation.

**3. Accountability, Oversight, and the Audit Action Plan**

**Root Cause:**

- Failure to implement and monitor the prior year's audit action plan.
- Irregular expenditure was not investigated to determine if any person is liable.

**Management Response Analysis:**

The response acknowledges the failure (a positive step) but deflects accountability to "line managers" and "weaknesses in internal monitoring."

**Action Plan Failure:** The response states that "delays and incomplete implementation indicate weaknesses." This is a passive description of a failure of executive authority. The root cause is not a "weakness"; it is a lack of consequence for managers who ignored the plan.

**Irregular Expenditure Investigations:** The response mentions a "backlog" and a "strategy to reduce UIF and W (Unauthorized, Irregular, Fruitless and Wasteful Expenditure)." It sets a target (75% reduction by August 2026).

**Does it address the root cause?** Partially, but dangerously.

The response acknowledges the failure but frames it as a procedural backlog rather than a failure of oversight. The promise of a "revised strategy" with timelines is a common municipal response that often fails without a cultural shift.

**Risks:**

**Normalization of Impunity:** If the failure to implement the previous action plan results in no disciplinary action against the responsible managers, it sets a precedent that audit commitments are optional. This directly undermines the authority of the Municipal Public Accounts Committee and the Council.

**Recycling of Findings:** The "backlog" in investigating irregular expenditure is a critical risk. If investigations are not concluded, implicated officials or contractors are never held liable. This means the municipality cannot recover funds, and the same officials may continue to approve irregular transactions. The "75% reduction by August 2026" timeline, while ambitious, may be unrealistic and merely pushes the problem further down the road.

#### 4. Systemic Fixes and the Path Forward

##### Root Cause:

- Misalignment of SOPs with Circular 88.
- Unreliable data undermines the credibility of decision-making and the budget.

##### Analysis:

The response relies on external consultants (appointed to review SOPs) and argues that while performance data is flawed, the "overall budget framework" remains credible due to community consultation and IDP priorities.

**Does it address the root cause?** No.

This is the most critical section because it touches on the legality of the budget. The response creates a dangerous disconnect, it admits that performance data (which is supposed to inform the budget) is unreliable but claims the budget allocation is still credible. This is logically inconsistent. If the "systemic weaknesses in performance planning" exist, then the budget cannot be reliably aligned with priorities.

##### Risks:

**Invalid Budget Allocation:** If the budget is not based on accurate performance data, the municipality risks allocating funds to programs that show "reported success" (based on flawed data) while underfunding critical areas where data was omitted (e.g., "entire regions omitted"). This constitutes a breach of the Municipal Finance Management Act, 56 of 2003, which requires the budget to be based on credible planning.

**Strategic Misalignment:** The reliance on "community consultation" as a justification for budget credibility is weak. Community consultation identifies needs, but the budget requires accurate data on existing performance and capacity to address those needs. Without accurate data, the IDP and budget become aspirational documents rather than operational plans.

#### Recommendations to Council

The management responses present a picture of a municipality that understands the technical requirements (audit plans, committees, SOPs) but is failing to address the accountability deficit that allows these root causes to persist.

##### Key Risks:

- **Superficial Compliance:** The risk is that BCM will generate numerous documents (plans, committee minutes) to show "compliance" without actually fixing the underlying data or procurement cultures.
- **Unmitigated Financial Loss:** The lack of quantifiable financial impact reporting and the slow pace of irregular expenditure investigations leave the municipality exposed to ongoing waste and potential corruption.

- **Escalating Audit Outcomes:** Given the failure to implement the prior year action plan and the reliance on procedural fixes for cultural problems, there is a high risk that the next audit outcome will not improve and may result in a disclaimer of opinion if the Auditor-General deems the lack of accountability to be pervasive.

**Council should consider:**

- Requesting specific names of managers who failed to implement the previous year audit action plan and what consequences were imposed.
- Demanding a detailed schedule for irregular expenditure investigations with specific dates and responsible officials, rather than a general "strategy."
- Challenging the Accounting Officer on how a budget can be deemed credible when the foundational data used to design it is admitted to be "unreliable" and "incomplete."

## 10.2 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE OF PUBLIC SAFETY AND EMERGENCY SERVICES

### Overall Assessment

The Municipal Public Accounts Committee report on Public Safety and Emergency Services paints a concerning picture of systemic failure within the municipality. The overarching theme, as correctly identified by MPAC, is a chronic failure to act on critical information (specifically the 2019 G-TAC study) and a lack of urgency in protecting municipal assets and revenue streams.

While management's responses provide some context and updates, they reveal a pattern of reactive rather than proactive governance. Key findings from the assessment include:

- **Governance and Planning Deficits:** There is a clear absence of a coherent, long-term strategy for critical functions like security management. The reliance on private security is justified on cost grounds, but the lack of a formal, up-to-date Security Risk Assessment (SRA) until recently (finalised in 2025/2026) indicates that spending, though potentially cost-effective, was not strategically guided by a comprehensive risk analysis. The 2019 G-TAC study, which was meant to provide a framework for an SRA, lay dormant for years.
- **Operational and Financial Mismanagement:** Key capital projects, such as the parking management system and the refurbishment of the Law Enforcement building, are stalled, leading to significant revenue loss and wasted expenditure. The inability to set or meet performance targets for core regulatory functions like roadworthy tests and traffic fine collection directly impacts both public safety and municipal revenue.
- **Asset Protection Failures:** The report highlights extensive vandalism and cable theft at critical facilities like the Zwelitsha Wastewater Treatment Plant. Management's response, which details a new Cable Theft Rapid Response Group and Joint Operations, indicates that reactive measures are only now being scaled up after years of documented losses. The condition of infrastructure (poor perimeter, lighting) is cited as a contributing factor, suggesting a failure in basic maintenance and security hardening.
- **Accountability and Compliance Gaps:** MPAC correctly points out the lack of consequences for delays.

The audit action plan process, while detailed, is administrative. The failure to set a target for traffic fines or to adequately explain the 12,291 credit card transactions points to a broader issue of weak performance management and potential non-compliance with financial policies.

In summary, the municipality is operating in a reactive mode, spending money on immediate crises (private security, post-theft repairs) without a strategic plan, while failing to implement foundational projects that would secure assets and generate revenue. This is a high-risk approach that is eroding the municipal asset base and compromising service delivery.

## 2. Legal and Legislative Risks

The issues raised in the report expose the municipality to significant legal and legislative risks:

### Risk Area

Security and Asset Management.

### Legislative Framework

- Municipal Systems Act (MSA), 2000 (Sections 62 and 63 on risk management)
- Municipal Finance Management Act (MFMA), 2003 (Sections 62 and 63 on asset management and internal controls)

### Specific Risk

- **Non-compliance:** Operating for years without a formal, up-to-date Security Risk Assessment violates the duty to implement proper risk management.
- The failure to adequately secure infrastructure exposes the municipality to liability for negligence.
- The "cost-benefit" analysis for private security, while justifying lower cost, does not replace the legal requirement for a strategic, risk-based security plan.

### Risk Area

Procurement and Project Management

### Legislative Framework

MFMA, 2003 (Sections 112-117)  
Supply Chain Management Regulations

### Specific Risk

- **Potential for Legal Challenge / Maladministration:** The stalling of projects like the Parking Management System and the Law Enforcement Building refurbishment raises questions about project planning, budget management, and supply chain management processes.
- If delays are due to poor specifications or administrative failures, it could constitute wasteful expenditure (Section 32 of the MFMA) and expose officials to legal liability.

### Risk Area

Cable Theft and Vandalism

### Legislative Framework

- Criminal Matters Amendment Act, 2015 (Act 18 of 2015)
- Second-Hand Goods Act, 2009 (Act 6 of 2009)

### Specific Risk

- **Ineffective Enforcement:** Management acknowledges a lack of a by-law for metal dealers, leaving a gap in local regulation.
- The Second-Hand Goods Act mandates SAPS for accreditation and inspections.
- The municipality's reliance on joint operations, while positive, may not be sufficient to meet its constitutional duty to provide a safe and secure environment (Section 152 of the Constitution) if it cannot directly regulate the businesses facilitating the theft of its own infrastructure.

### Risk Area

Financial Management

### Legislative Framework

- MFMA, 2003
- Municipal Regulations on Standard Chart of Accounts (mSCOA)

### Specific Risk

- **Potential for Misuse of Public Funds:** The question regarding 12,291 credit card transactions represents a high risk.
- If these were not for legitimate municipal expenditure and did not comply with the municipality's credit card policy, it could constitute fraud, corruption, or irregular expenditure. Management's response clarifies this refers to "credit card licences" for vehicles, not financial credit cards, which is a critical clarification that should have been provided earlier to avoid the appearance of financial impropriety.

### Risk Area

Performance Management and Development System

### Legislative Framework

MSA, 2000 (Section 38 and 40)

### Specific Risk

**Failure to Meet Statutory Obligations:** The failure to set a performance target for traffic fine collection undermines the purpose of Section 38(1)(a) of the MSA, which mandates a performance management system. This failure impedes the municipality's ability to monitor, evaluate, and improve its performance and revenue collection.

## 3. Recommendations to Council

To address these systemic issues and mitigate legal risks, the Council should resolve to:

### On Governance and Strategy:

- **Expedite Council Approval of the Security Risk Assessment:** Immediately table the newly finalized Security Risk Assessment (SRA) report for Council approval. Once approved, direct the Accounting Officer to develop a comprehensive, long-term Security Master Plan within 60 days. This plan must:

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- Integrate the SRA findings. ○ **Define the optimal hybrid model for security** (in-house vs. private) based on risk, cost, and strategic goals, not just immediate cost savings.
- **Establish a clear timeline and budget** for implementing preventative measures (e.g., perimeter fencing, lighting, technology) before reactive measures.
- **Prioritise Implementation of 2019 G-TAC Recommendations:** Direct the Accounting Officer to produce a detailed status report on all recommendations from the 2019 G-TAC study within 30 days. The report must outline which have been implemented, which remain outstanding, the financial cost of the delays, and a firm implementation plan with accountable officials.

### On Project Management and Asset Protection:

- **Intervene in Stalled Capital Projects:** Instruct the Accounting Officer to report to the Council's Mayoral Committee within 14 days on the specific reasons for the delays in the Parking Management System, Backup Generator, and Law Enforcement Building refurbishment. The report must include a root cause analysis, accountability for the delays, and a revised, enforceable project plan with clear milestones.
- **Harden Critical Infrastructure:** Direct the Departments of Infrastructure and Public Safety to submit a joint, prioritized action plan for securing high-risk facilities (like water treatment plants) within 60 days. The plan must include budget requests for immediate physical security upgrades (perimeter, lighting, alarms) and a schedule for the installation and maintenance of surveillance cameras (CCTV), with a clear protocol for monitoring and response.

### On Regulatory Enforcement and Bylaws:

- **Address the Scrap Metal Theft Gap:** Instruct the Legal and Public Safety departments to draft and expedite a by-law regulating second-hand goods and scrap metal dealers, as permitted under Schedule 5, Part B of the Constitution. This by-law should provide BCMM Law Enforcement with the authority to inspect, license, and regulate these businesses to complement SAPS's role and curb the market for stolen municipal infrastructure.
- **Enhance Traffic and Bylaw Enforcement:** Direct the Accounting Officer to:
  - Immediately set and implement a binding quarterly revenue collection target for traffic fines.
  - Conduct a performance review of the Traffic Department to understand the root causes of the "low performance" in roadworthy tests (including public preference for private stations) and develop a strategy to improve turnaround times and service uptake.
  - Compile and submit a compliance report to Council on the 12,291 credit card licences, clarifying the policy governing their use and the controls in place to prevent misuse.

### On Accountability and Oversight:

- **Enforce Consequences:** The Council must demand and enforce accountability for the systemic failures. The Accounting Officer must provide a report identifying the officials responsible for the five-year delay in acting on the 2019 studies and the stalled capital projects. Council should consider initiating disciplinary action or performance management processes where evidence of negligence or maladministration exists.

- **Strengthen Oversight of the Audit Action Plan:** While the management response details the Audit Action Plan (AAP) process, Council must ensure this is not merely an administrative exercise. The AAP should be made a standing agenda item for the MPAC, with monthly progress reviews. The Council should request a quarterly report that tracks the implementation of audit findings, including the 181 items noted, and holds the Accounting Officer accountable for any missed deadlines.

### **10.3 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE OF SOLID WASTE AND ENVIRONMENTAL MANAGEMENT**

#### **Overall Assessment**

The management responses are largely descriptive of current activities rather than analytical of the problems or prescriptive of solutions. While they provide context on the scope of services, they frequently fail to address the root causes of the persistent challenges raised by the Municipal Public Accounts Committee. The responses often deflect, describe the problem as an ongoing activity, or state that issues are "being addressed" without providing specific, time-bound plans or accountability.

#### **Issue 1: Persistent Under-Reporting**

##### **Root Cause:**

The Committee notes a "serious problem with a lot of under reporting." The question specifically asks for the challenges prohibiting sufficient reporting.

##### **Management Response:**

The response is a long, detailed narrative of all the services the department provides (street sweeping, landfill management, public awareness campaigns, etc.). It only briefly mentions "the challenges and achievements" in a single bullet point, stating "illegal dumping, littering is still prevailing" and "non-compliance to refuse removal schedule."

**Analysis:** This does not address the root cause.

The Committee asked *why* reporting is insufficient. The response avoids this entirely, instead listing activities to justify the department's existence. It fails to identify if the under-reporting is due to a lack of data collection systems, staff capacity, management oversight, or a deliberate avoidance of reporting on poor performance. The root cause remains unaddressed.

#### **Risk to the Municipality: Reputational and Oversight Risk**

By not identifying the barriers to accurate reporting, the Municipality cannot fix them. This perpetuates a cycle of poor performance data, hindering the Municipal Public Accounts Committee's ability to provide effective oversight and leading to continued negative audit findings.

#### **Issue 2: Perpetual Fleet Management Crisis**

##### **Root Cause:**

The Committee highlights a "report lacking sufficient information," with no mention of operational fleet efficiency. It requests a detailed status update (operational, under repair, hired) and the financial implications. It also questions the

"perpetual fleet downtime" and the practice of hiring fleet that comes with its own staff while municipal staff are "redirected."

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**Management Response:**

**Status:** Provides a list of minimum fleet requirements (e.g., 60 compactors, 17 4-ton trucks).

**Cause:** Blames frequent breakdowns and the "Fleet and Mechanical Workshop" for not meeting repair demands.

**Solution:** States that a "complementary fleet is hired" to prevent service disruption and that municipal staff are "redirected to other tasks."

**On Hired Staff:** Does not answer the question of whether municipal staff are declared redundant or the cost implications of paying for additional staff.

**On Hiring Irregularity:** Responds to the query about hiring 9 TLBs versus the need analysis of 7 by stating the hired fleet "compliments the BCMM fleet." This is a non-answer.

**Analysis:** This partially describes the problem but fails to provide a strategic solution.

The root cause of the crisis is identified as the workshop's inability to repair vehicles, but the response offers no plan to address this core issue (e.g., capacity building, private-public partnership for repairs, spare parts procurement strategy).

The response normalizes the "perpetual" hiring of fleet with staff as a standard practice, without addressing the fundamental financial unsustainability or the governance implications of paying for a parallel workforce while having underutilized municipal employees.

The response avoids addressing the governance risk of hiring outside the needs analysis, simply justifying it without explanation.

**Risk to the Municipality: Financial and Service Delivery Risk.**

The "perpetual" reliance on hired fleet is a significant operational expenditure that likely exceeds the cost of maintaining a well-functioning municipal fleet. It represents a long-term financial drain. Furthermore, the lack of a plan to fix the internal workshop ensures the municipality remains dependent on external contractors, creating a risk of service disruption if contracts are not renewed or if contractors fail to perform.

**Issue 3: Landfill Management (King William's Town) and NEMA Compliance**

**Root Cause:**

The Auditor-General and MPAC identify critical compliance failures at the King William's Town (KWT) landfill, including:

- No on-site laboratory.
- No air monitoring system.
- Insufficient operational equipment.
- No leachate management/liner system.
- Management Response:
- Acknowledges the Roundhill site is compliant.
- States that the "weaknesses" at the KWT site "are currently being addressed by the Department."
- Lists the weaknesses (access control, signage, leachate management, etc.) but provides no timeline, budget, or specific action plan for addressing them.

#### **Analysis:**

This is a high-level acknowledgment, not an addressal of root causes. The root causes are systemic:

- a lack of capital investment
- inadequate operational planning
- a failure to meet the minimum requirements of the National Environmental Management: Waste Act (NEMWA).
- Stating that issues are "currently being addressed" without a plan is insufficient for oversight and demonstrates a lack of urgency.

#### **Risk to the Municipality: High Legal and Environmental Risk.**

The non-compliance issues (air quality, leachate, no laboratory) pose a direct threat to the health and safety of workers and the surrounding community. This creates a massive liability for the municipality. The risk of the Department of Water and Sanitation or the Department of Forestry, Fisheries and the Environment issuing a compliance notice, a fine, or even shutting down the landfill is high, which would create a catastrophic service delivery crisis.

#### **Issue 4: Capital Expenditure Non-Spending**

##### **Root Cause:**

The Committee notes with "great concern" the non-expenditure on key capital projects, particularly for fleet and plant.

##### **Management Response:**

There is no response to this section. The table for "Annual Report Capital Expenditure" and "Management Letter" contain no management response.

##### **Analysis:**

This is a complete failure to respond. The Committee asked for the causes of non-spending and the plan to address challenges. The absence of a response is a serious oversight.

#### **Risk to the Municipality: Reputational and Service Delivery Risk.**

Unspent capital budgets lead to a deterioration of infrastructure and assets. For waste management, this means an aging, unreliable fleet and poor landfill infrastructure. This directly contributes to the service delivery failures and audit findings highlighted elsewhere in the document. It also indicates poor financial management and planning.

**Summary of Key Risks****Issue**

Under-Reporting

**Risk if Root Causes are not Addressed**

**Reputational and Oversight Failure:** Municipal Public Accounts Committee cannot exercise oversight, leading to unaccountable management and perpetuation of poor performance.

**Issue**

Fleet Management

**Risk if Root Causes are not Addressed**

**Financial and Service Delivery:** Unsustainable high expenditure on hired fleet. High risk of service disruption. Wasted resources on municipal staff who are underutilized.

**Issue**

KWT Landfill

**Risk if Root Causes are not Addressed**

**Legal and Environmental:** High risk of fines, legal action, or site closure by national authorities. Potential for severe environmental pollution and serious health hazards for workers and residents.

**Issue**

Capital Expenditure

**Risk if Root Causes are not Addressed**

**Asset Deterioration:** Failure to renew and maintain critical capital assets (fleet, landfill infrastructure), ensuring that service delivery failures become permanent.

**Recommendations to Council**

- The current management responses are insufficient.
- They do not provide the analysis, accountability, or action plans required to address the root causes of these persistent challenges.
- The Council should consider requesting a follow-up submission that specifically addresses each root cause with a detailed action plan, clear timelines, responsible officials, and budget allocations post tabling and consideration of the annual report.

#### **10.4 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE OF EXECUTIVE SUPPORT SERVICES**

##### **Overall Assessment**

The document paints a picture of an administration under severe strain. The key themes are **delays, inaccuracies, non-compliance, incomplete work, and silo mentality**. The administration might have submitted the report timeously, however it failed to ensure its quality and compliance with basic legal requirements.

The Municipal Public Accounts Committee has moved from a role of simple oversight to active intervention, demanding fundamental changes to processes and setting strict deadlines to salvage the integrity of the 2024/2025 Annual Report and the municipality's oversight cycle. Failure to comply with the Municipal Public Accounts Committee's directives will likely result in a qualified audit opinion from the Auditor-General and further legal and reputational risk for the municipality.

##### **1. Internal Audit – High-level Compliance Review of 2024/25 Draft Annual Report**

###### **Root Cause:**

- Non-compliance with National Treasury Circular 63 and Section 121 of the Municipal Finance Management Act, 56 of 2003.
- Of 92 previously deficient compliance items, 36 (41%) remain unaddressed.
- The Internal Audit report was only circulated on 20 February 2026—after Municipal Public Accounts Committee had already started oversight processes.

###### **Management Response:**

- All HODs will sign a “Certificate of Assurance / Declaration.”
- The HOD will sensitize the Office of the Accounting Officer to follow up on high-level compliance.

###### **Assessment:**

This response does not address the root causes. It does not explain:

- Why 41% of deficiencies remain unresolved.
- Why the Internal Audit report was delayed.
- How the municipality will ensure timely submission of future reports.
- What consequences will follow for repeated non-compliance.

**Risks:**

- **Oversight failure:** Municipal Public Accounts Committee's statutory oversight is undermined, leading to unverified annual reporting.
- **Regulatory non-compliance:** Continued breach of Municipal Finance Management Act, 56 of 2003 and Treasury Regulations may result in adverse audit outcomes and potential sanctions.
- **Reputational damage:** Persistent non-compliance signals weak internal controls and poor governance.

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**Recommendation to Council****1. Immediate Compliance and Accountability Measures****Compel HOD Certificates of Assurance:**

Council must formally endorse the requirement for all Heads of Department (HODs) to sign a "Certificate of Assurance" on a quarterly basis. This certificate must confirm that all information submitted for the Annual Report and other statutory reports is complete, accurate, and supported by adequate evidence. Failure to provide this certificate or providing a false certificate must be considered a dereliction of duty with clear consequences.

**Enforce the Audit Action Plan:**

Council must instruct the Accounting Officer to ensure that the comprehensive Audit Action Plan, which was to be submitted in February 2026, is immediately finalized and submitted to Internal Audit and the Audit Committee for review. This plan must be submitted to Council within 14 days, and progress against its clearly defined, monthly timelines must be reported to Council on a monthly basis, not quarterly.

**2. Strengthen Internal Audit and Oversight****Audit Committee Intervention:**

Council must formally request the Audit Committee to conduct a special review into the factors that caused the severe delay in the finalization and circulation of the Internal Audit report on the Annual Report. The Committee must also assess the quality and timeliness of Internal Audit's work and provide a report to Council with recommendations to prevent a recurrence.

**Mandate Pre-Submission Assurance:**

Council should institute a new rule that no draft Annual Report or any other major statutory report is submitted to Municipal Public Accounts Committee or Council without a prior formal presentation and sign-off from the Audit Committee, confirming that it has been reviewed for quality and compliance.

**3. Consequence Management****Initiating Disciplinary Action:**

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Council must instruct the Accounting Officer to initiate disciplinary proceedings against any senior manager found to have contributed to the material misreporting, or to have failed in their duty to ensure compliance with the Municipal Finance Management Act, 56 of 2003. This is critical to establishing a culture of accountability and deterring future failures.

**Council resolves to:** Instruct the Accounting Officer to initiate disciplinary proceedings against the relevant senior departmental managers for their failure to provide MPAC with complete, direct, and actionable responses, and for their failure to uphold their responsibilities regarding the quality assurance of statutory reports.

**Monitoring by Municipal Public Accounts Committee:**

Municipal Public Accounts Committee must be empowered to closely monitor the implementation of these remedial actions. The committee should receive quarterly progress reports directly from the Accounting Officer and be granted the authority to summon any official for a status update.

## 10.5 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE SPORTS, RECREATION AND COMMUNITY DEVELOPMENT

### Overall Assessment

The management responses are largely *descriptive* of the symptoms (lack of funding, vandalism) rather than *analytical* or *strategic* about the root causes. They indicate an awareness of the challenges but fail to provide concrete, actionable plans, accountable parties, or timelines to resolve them. This creates a significant risk of recurring issues, financial mismanagement, and service delivery failure.

### Section-by-Section Analysis

#### 1. Libraries (Page 343)

##### Root Cause Identified:

The core issue is an unfunded mandate, with a projected R 27 million shortfall between the operational need (R 44 million) and the provincial subsidy received (R 17.9 million). The questions probe the financial implications, service reductions, and engagement with provincial government.

##### Management Response Analysis

The responses confirm the budget figures and state the operational consequences (inability to extend services, need for mobile libraries, etc.). However, they do not address the root cause.

**Deflection, not Resolution:** The response states, "There are no timeframes and no hope of us receiving the outstanding payments as DSRAC has no funding." This is a statement of defeat, not a strategy. It does not answer the question about what *municipal* services are being defunded to cover the shortfall.

**Missing Accountability:** The response mentions reports submitted and a resolution for political leadership to engage, but it provides no details on the outcome of these engagements, the content of the memos, or who is specifically responsible for driving a solution. This response is the same as prior year response.

**Superficial Future Planning:** The plan for 2026/27 is to "remain the same," and they mention "provincialisation of Library Services" as a discussion point. This is a passive wait-and-see approach that does not address the immediate, ongoing financial crisis.

#### 2. Community Halls (Page 353)

##### Root Cause Identified

The issue is the failure to meet the refurbishment target due to incomplete projects from the previous year. The questions seek clarity on funding sources, project scope, and quality of work.

##### Management Response Analysis:

The response is factual, providing names, locations, and GPS coordinates of the refurbished halls. It also explains the funding source (funds transferred from the Swimming Pools vote).

**Addresses the Symptom, not the Cause:**

The response answers *what* was done and *how* it was funded but does not address the root cause: why projects are consistently delayed and why inter-directorate budget transfers (from swimming pools to halls) are a recurring stop-gap measure rather than a stable, planned budget. This indicates a systemic planning and budgeting weakness.

**3. Cemeteries and Crematoriums (Page 353)**

**Root Cause:**

The issues are ambiguous language regarding services (pauper vs. unclaimed burials) and the omission of maintenance as a core responsibility.

**Management Response Analysis:**

The responses are not included in this section of the document. The columns for management responses are left blank.

**Response:** Not provided

The absence of a response is a fundamental failure in the MPAC process. It leaves the committee's questions unanswered, creating a high risk of misinterpretation of the department's responsibilities and potential noncompliance with its own service delivery mandate.

**4. Sport and Recreation (Page 500)**

**Root Cause:**

- The issues are lack of maintenance, vandalism, theft, and the abandoned state of facilities acting as havens for criminal activity, creating a burden on the maintenance budget.
- Why are the facilities left ruin – disjuncture between community needs and what the department is providing – is provision in line with community needs, is there an alignment – include this as a finding to establish why they were abandoned

**Management Response Analysis:**

The responses acknowledge the problem and mention planned actions.

**Plans without Execution Details:**

The response mentions a meeting with Public Safety, the use of budget adjustments to procure security, and plans to implement in April 2026. While this is more action-oriented than other sections, it still lacks detail on the *type* of security, the *number* of facilities to be covered, and the *criteria* for prioritization. It also does not address the root cause of why the facilities became abandoned and what long-term maintenance plans are in place beyond security.

**Evasion of Accountability:**

In the "Additional Municipal Public Accounts Committee Comments," the committee notes that management seems to be "exonerating themselves." The response asks for a breakdown of who is responsible for securing funding, indicating that management has not clearly defined accountability within its own directorate.

**5. Swimming Pools (Page 501)****Root Cause:**

The issues are the status of the Mdantsane Pool project (which was under a terminated contract), the transfer of the Orient Pool without budget, and general budget constraints for maintenance.

**Management Response Analysis:**

The responses provide occupancy and costing data and describe the failed Mdantsane Pool project.

**Exposes Project Management Failures:**

The response confirms that the Mdantsane Pool project is on hold after a termination letter was issued to the consultant. This reveals a deep-rooted cause of poor project management, contract oversight, and potential wasteful expenditure. The response does not explain *why* the contract failed, what financial loss the municipality incurred, or who is accountable.

**Unresolved Structural Issues:**

The response about the Orient Pool describes a complex 2022 steering committee meeting where the transfer of assets was discussed. The fact that this is still an issue in the 2024/2025 report indicates that the root cause—a lack of clear inter-directorate agreements and budget alignment—has persisted for years without resolution.

**6. Resorts and Caravan Parks (Page 502 and 505)****Root Cause:**

The issue is a lack of detailed service statistics (visitor numbers, origin, etc.) and a failure to articulate revenue collection strategies for all facilities.

**Management Response Analysis:**

The responses provide some occupancy data and website details.

**Partially Informative, But Incomplete:**

While they provide occupancy data for chalets and sites, they do not provide the detailed visitor origin data requested. The statement that the website is updated "annually" suggests a static, non-dynamic marketing approach that fails to address the root cause of potentially underperforming revenue generation.

### **Missing Strategy:**

The question about "revenue collection strategies" for the Zoo, Aquarium, and other facilities is dismissed with a statement that "All revenue collected is deposited and receipted." This is a description of an accounting process, not a *strategy* for maximizing revenue, which is the root cause implied by the committee's question.

## **7. General Municipal Public Accounts Committee Comments (Zoo, Aquarium, Tariffs)**

### **Root Cause:**

The committee notes a systemic lack of financial detail, illegible tables, and a failure to provide revenue vs. expenditure data for facilities like the Zoo and Aquarium.

### **Management Response Analysis:**

The response points to the Tariff Book and states the Zoo and Aquarium share votes, directing the committee to the Finance Directorate for financial details.

### **Shifting Responsibility:**

This response avoids the core issue. The Sport, Recreation, and Community Development directorate is being asked for its own performance and financial data. Directing the oversight committee to another directorate is an administrative evasion. It fails to address the root cause of poor reporting and data management within the directorate itself.

### **Risks Posed by Inadequate Responses**

If the challenges identified by Municipal Public Accounts Committee are not addressed with the required depth, accountability, and strategic planning, the following risks materialize for Buffalo City Metropolitan Municipality (BCMM):

#### **Financial Instability and Unsustainable Practices:**

**Risk:** The library services are operating on a structural deficit (R 27 million), funded by the City's Replacement Reserves. This is not a sustainable practice. The risk is the complete depletion of capital reserves, leaving no funds for critical infrastructure replacement and creating a massive unfunded liability in future budgets.

#### **Service Delivery Failure and Erosion of Public Trust:**

**Risk:** Libraries cannot extend services or update critical resources (books, computers). Sport facilities remain vandalized and abandoned, becoming crime hotspots. Swimming pools and community halls fall into disrepair. The cumulative effect is a direct failure to deliver constitutional and community-expected services. This may lead to public outrage, loss of trust in the municipality, and potential community protests.

**Risk:** The Mdantsane Swimming Pool project is a prime example. With the contract terminated, the municipality is at risk of having paid for incomplete or poor-quality work and will incur additional costs to rectify the project. This constitutes potential irregular, fruitless, and wasteful expenditure. A lack of accountability for this failure invites further recurrence of such project management disasters and poor planning.

#### **Poor Audit Outcomes and Governance Failure:**

**Risk:** The lack of clear revenue strategies, non-existent responses to Municipal Public Accounts Committee questions (Cemeteries), and failure to produce legible, accurate, and narrated financial tables will almost certainly result in audit findings from the Auditor-General. This would negatively impact the municipality's audit opinion, signalling poor governance and financial management.

#### **Loss of Oversight and Accountability:**

**Risk:** When management responds with statements of "no hope" and deflects accountability to other directorates or levels of government, it creates a culture of helplessness and impunity. Without clear action plans, responsible officials, and timelines, Municipal Public Accounts Committee is unable to hold the executive accountable. This allows systemic issues like the library funding crisis and the swimming pool project failure to persist indefinitely.

#### **Inability to Maximize Revenue:**

**Risk:** The lack of a coherent revenue collection strategy for facilities like resorts and the zoo represents a missed opportunity. The risk is foregone revenue that could have been reinvested into maintaining those very facilities, creating a self-perpetuating cycle of underfunding and decay.

### **Recommendations to the Council**

#### **A. Strategic Intervention: Library Services (High Priority)**

**Mandate a Service Level Review:** Council should formally instruct the department to present a "**Library Services Reconfiguration Plan**" within 60 days. This plan must choose between:

**Option A:** Lobbying for Provincialisation through IGR processes (as mentioned in the response) with a concrete timeline and exit strategy.

**Option B:** Scaling the service to the actual funding level (R 17.8m) by reducing operating hours, closing underperforming branches, or shifting entirely to a mobile/e-book model, rather than budgeting for R 42m with no funding source.

#### **B. Governance: Accountability for Infrastructure**

**Project Completion Certificates:** Instruct the HOD to submit to Municipal Public Accounts Committee, within 14 days, **certificates of completion and final sign-off** for the three refurbished halls (Gompo, Orient, OR Tambo).

**Vandalism Accountability:** The department must provide a **comprehensive asset register and security plan** for all sports facilities. The current plan for security guards is acknowledged, but Council must request a report on the "Public-Private Partnership" or "Adopt-a-Facility" model to ensure community ownership and reduce reliance on municipal security budgets.

### C. Financial Management: Corrective Actions

**Orient Pool Transfer:** Council must request a formal legal and financial opinion on the transfer of the Orient Pool. The department must present a **sustainability plan** detailing how the operational and maintenance costs will be funded, clarifying the 80/20 split with Solid Waste.

**Revenue Enhancement Strategy:** Reject the current "status quo" response on revenue. Instruct the department to compile a **Revenue Generation Strategy** for the Zoo, Aquarium, and Resorts within 90 days. This must include:

- Actual occupancy rates for 2024/2025 (as requested).
- A marketing plan for the resorts.
- A pricing strategy review to ensure tariffs are cost-reflective.

### D. Compliance and Reporting

**Municipal Public Accounts Committee Directives:** Ensure that future responses comply with the "Additional MPAC Comments" at the end of the document. Specifically:

- All tables must have narrations.
- Variances must be explained.
- Data must be validated and legible.

The department is operating in a "crisis management" mode. While the challenges of unfunded mandates are real, the responses indicate a lack of assertive management to either cut the cloth to fit the budget or force a definitive political resolution with the province. Council must assert its oversight role to ensure that the department moves from describing problems to implementing solutions.



## 10.6 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE CORPORATE SERVICES

### Overall Assessment

#### Human Resources Management

Management's responses demonstrate a pattern of acknowledging administrative shortcomings (e.g., incorrect tables, lack of policies) but often fail to address the systemic root causes identified in the "Issue" column. The responses are frequently procedural ("we are reviewing," "a committee has been established") rather than providing the required accountability, root cause analysis, or concrete, binding implementation plans. A significant gap exists between the Committee's probing questions and the substance of the answers, particularly regarding accountability for delays and the effectiveness of existing interim measures.

### Analysis

#### 1. Organisational Structure and Regulatory Compliance

##### Root Cause:

- The municipality is operating under a 2019 structure despite the Municipal Staff Regulations of 2021 being in effect since 2022.
- The issue highlights a failure to initiate a timely review, creating potential legal and operational risks.
- Conflicting and unclear staffing figures in the annual report indicate poor data management.

##### Management Response:

- Management admits the table was not correctly updated and claims they "could not tie up the figures."
- They state the 2019 structure remains compliant until a new one is approved and outline a project (started Jan 2024) with an 80% completion rate, delayed by "Trading Services."
- They provide a target date for a reviewed process plan (June 2026) but not for the final adoption of the structure. A legal risk assessment was not conducted.

##### Analysis:

**Root Cause Not Addressed:** The response avoids the central question of why no action was taken for two years (since 2022) to align with the 2021 regulations. The claim that the existing structure is "compliant" is contradicted by the issue's assertion of a "significant legal risk" and the failure to conduct a legal risk assessment.

**Accountability Gap:** The response does not explain who was responsible for the delay or why the discrepancies in the annual report were not caught and corrected.

**Incomplete Commitment:** The 30 June 2026 date is for a "reviewed process plan," not for the final, council-approved structure. The 80% completion figure is vague, and the delay attributed to "Trading Services" is not explained in the context of the two-year delay that preceded it.

#### 2. Staff Retention Policy

##### Root Cause:

- The municipality lacks a formal Staff Retention Policy.

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- This is identified as a critical risk to operational stability, leading to high turnover, loss of institutional knowledge, and increased costs.

#### Management Response:

- Management states they do not have a policy "by name" but argue that existing policies (HRD, Staff Provisioning, Scarce Skills allowance) collectively address retention.
- They claim staff turnover is "below the industry norm" (citing a 0.12% rate for a quarter) and commit to developing a specific retention policy by 31 December 2026.

#### Analysis:

**Root Cause Partially Acknowledged:** The response initially tries to deflect by claiming existing policies suffice, which contradicts the audit finding and the Committee's concern about a critical gap. The concession to develop a policy by the end of 2026 indirectly acknowledges the gap.

**Superficial Assurance:** The cited low turnover rate (0.12% for one quarter) is a data point that does not address the *risk* of future turnover or the *lack of a structured strategy* to retain critical and scarce skills. The "industry norm" benchmark is not verified or contextualized.

**Lack of Interim Governance:** The response fails to address the Committee's direct questions about the *interim* measures currently in place to manage retention risks *before* the policy is finalized in late 2026. It does not explain how the various scattered policies integrate into a coherent, proactive retention strategy.

### 3. Official Transport to Funerals Policy

#### Root Cause:

- The policy was last reviewed in 2016 and is outdated.
- The audit finding highlighted a failure to explain whether a promised consultation with the Infrastructure Directorate (Fleet Management) had taken place, indicating a breakdown in internal communication and reporting.

#### Management Response:

- Management clarifies that the "Official Transport to Funerals" policy is not an HR responsibility but falls under Fleet Management in the Infrastructure Directorate.
- They state that the Fleet Management Policy is undergoing review, which will address the funeral transport issue. Input is being provided.

#### Analysis:

**Root Cause Not Addressed:** The response focuses on *whose* responsibility it is, deflecting the accountability for the lack of an updated policy. This is a procedural answer that does not solve the core problem: the municipality is operating without a current policy for this expenditure.

**Accountability and Timeline Avoided:** The response does not answer the Committee's direct questions: Has the review been completed? Who is responsible for the delay in the Fleet Policy review? What is the specific timeline for its completion and presentation to the committee? The issue of the prior failure to report on this commitment is ignored.

#### 4. High Sick Leave Among Supervisors

##### Root Cause:

- The issue highlights a systemic failure of oversight.
- Supervisors, who are responsible for monitoring subordinates, are themselves utilizing a high number of sick leave days, leaving staff unmonitored and the municipality exposed.
- The Committee explicitly notes this is a repeat finding and questions the failure of previous corrective action plans.

##### Management Response:

- Management argues that absenteeism management is a "line function" responsibility of departments, and HR only provides a "legislative framework."
- They state there was no audit finding on absenteeism, so it is not a repeat finding.
- They cite a collective agreement ("no work no pay") and note that the data is from 2023/2024, not 2024/2025.
- They commit to including absenteeism KPIs in SDBIPs for all senior managers.

##### Analysis:

**Root Cause Deflected:** The response fundamentally dismisses the root cause. By stating it is a "line function," HR management is disclaiming responsibility for the *failure* of that line function, which is precisely the systemic breakdown the Committee is investigating.

**Contradiction and Evasion:** The claim that this is "not a repeat finding" because it wasn't an *audit* finding is a technicality that ignores the Committee's clear statement that it was a previous concern raised to them.

**Accountability Evaded:** The response fails to answer the core questions: Who is responsible for ensuring department heads and supervisors fulfil their monitoring duties? Why have they not been held accountable? What were the specific "worthless" measures taken before, and why did they fail? The promise to add KPIs for *future* years does not address the *current* breakdown or the absence of consequences for responsible officials.

#### Findings for Council

**Deficient Accountability Culture:** A consistent pattern in Management's responses is the avoidance of personal accountability. Answers frequently shift responsibility to other departments (e.g., Trading Services for structure delays, Infrastructure for the funeral policy, line departments for absenteeism) and fail to identify specific officials responsible for delays or non-compliance.

**Misalignment Between Responses and Oversight Questions:** Management's responses often answer a different or simplified version of the Committee's questions. The Committee seeks root cause analysis and accountability, while responses provide procedural updates, technicalities, or partial acknowledgements. This is evident in the retention policy and sick leave sections.

**Unacceptable Delay in Implementing Core Policies:** The fact that the municipality is operating without a modern organisational structure aligned to the 2021 regulations, without a formal retention policy, and with an outdated funeral transport policy represents a significant governance and operational failure. The proposed timelines (e.g., retention policy by December 2026) are excessive given that the regulations were enacted in 2021 and the issues were flagged in previous audits.

**Inadequate Interim Controls:** Management has failed to adequately describe the *interim* controls in place to mitigate risks while formal policies are being developed. This includes managing retention risks without a formal policy and managing supervisor absenteeism without a clear escalation or oversight protocol.

**Superficial Use of Data:** The use of data (e.g., 0.12% turnover) is presented to argue against the existence of a problem, rather than as a tool to inform strategy. This approach fails to appreciate that policy is designed to manage *future* and *potential* risks, not just historical data points.

### Recommendations to Council

Based on these findings, the following recommendations are made to the Council:

#### Demand a Formal Root Cause Analysis:

Direct the Accounting Officer to provide a comprehensive report to Council within 30 days that performs a root cause analysis for each of the four major issues (Structure, Retention Policy, Funeral Policy, Supervisor Absenteeism). The analysis must identify the specific decisions, individuals, and systemic failures that led to the current situation.

#### Establish Clear, Final Deadlines with Consequences:

Reject vague timelines (e.g., "process plan by June 2026"). Require the Accounting Officer to submit a single, binding project plan with final completion dates for:

- Adoption of the new organisational structure (e.g., by October 2026).
- Council approval of a standalone Staff Retention Policy (e.g., by December 2026).
- Council approval of an updated Official Transport/Fleet Management Policy (e.g., by August 2026).
- Formalize that failure to meet these deadlines will trigger a performance review for the Accounting Officer and relevant Heads of Department, with potential financial and disciplinary consequences.

#### Mandate Interim Governance Measures:

Require Management to present, within 30 days, the interim protocols currently in place for:

- **Retention:** A formal list of the aggregated measures from existing policies (HRD, Scarce Skills, etc.) and how they are managed as a coherent strategy.
- **Supervisor Absenteeism:** A clear, written protocol for ensuring 100% supervisory coverage during any absence, including a defined escalation path to a Director-level official, and a mandatory "fitness-for-duty" evaluation for any supervisor exceeding a set sick leave threshold.
- **Official Transport to Funerals:** A directive that no further expenditure is authorized under this category until the updated policy is presented to Council unless it is subject to a specific, documented exemption process approved by the Accounting Officer.

#### Strengthen Internal Audit's Role:

- Instruct the Internal Audit unit to conduct a follow-up audit specifically on the implementation of the interim measures and the progress against the newly mandated deadlines.
- The Internal Audit plan must be updated to include a quarterly review of progress on these key governance failures, with direct reporting to Municipal Public Accounts Committee.

#### **Reiterate Accountability for Senior Management:**

Formally place on record that Municipal Public Accounts Committee finds the lack of accountability and the pattern of evasive responses unacceptable. Council should note that this report and its findings will be used as a baseline to hold the Accounting Officer and all Heads of Department accountable for performance in the 2026/2027 financial year.

#### **Information Communications Technologies**

The management responses provided for the ICT department are comprehensive, data-driven, and candid. They effectively address the root causes identified in the 2024/2025 column by providing specific details on the nature of the challenges, their quantifiable impact, and the underlying structural issues. The responses move beyond simply acknowledging problems to diagnosing their origins, such as budget constraints, a critical skills shortage, and organizational structure limitations. The responses successfully:

1. **Quantify the Problem:** They translate broad issues like "understaffing" into concrete metrics (e.g., 1:280 support ratio vs. a 1:150 industry standard, 20% capacity in the Business Modernisation Section).
2. **Connect Causes to Consequences:** They clearly link root causes (vacancies, budget cuts) to specific negative outcomes (delayed service delivery, operational inefficiency, governance risks, and the inability to drive digital transformation).
3. **Provide Evidence:** The use of budget vote data, organizational structure breakdowns (Annexure A and B), and detailed vacancy lists provides verifiable evidence to support the claims.
4. **Acknowledge Progress:** The response regarding the ICT strategy confirms that a prior root cause (a draft strategy) has been resolved with a final approval date, demonstrating accountability and progress.

However, the responses also reveal a critical gap: execution capacity. While the strategy and problems are wellarticulated, the plans to address the root causes (e.g., filling vacancies) are not yet fully realized. The responses also highlight that the Head of ICT is not part of Top Management, which is a significant structural root cause for the department's inability to function as a strategic enabler.

#### **Risks**

Based on the information provided, the following significant risks are identified:

##### **Financial Risks**

##### **Direct Infrastructure Loss and Operating Cost Escalation:**

**Risk:** Vandalism of IT infrastructure (e.g., fibre cables) results in direct, unbudgeted costs of R 55,000 to R 300,000 per incident. Ten such incidents could cost up to R 3 million.

**Impact:** This diverts capital expenditure from expansion and modernization to reactive repairs. The municipality is forced to incur additional "site hardening" costs (e.g., security personnel) which are not budgeted for, creating a cycle of financial strain.

##### **Hidden Cost of Understaffing:**

**Risk:** With a 50% understaffing level (only 35 of 78 posts filled), the department relies heavily on expensive external consultants. The current budget of R 5.4 million for capital projects is dwarfed by the operational inefficiencies and consultant costs stemming from a lack of internal capacity.

**Impact:** The municipality is likely paying a premium for services that could be delivered more cost-effectively by permanent staff. This represents a significant opportunity cost and an inefficient use of financial resources.

#### **Inefficient Budget Allocation:**

**Risk:** The R 5.4 million capital budget is fragmented across numerous small projects (Wi-Fi, LTE, Fibre). This piecemeal approach, without the internal capacity to manage and implement these projects, risks poor value for money, project delays, and the funds being underspent or wasted.

**Impact:** Strategic, high-impact initiatives like Master Data Management (R 1.8m) may fail without the required personnel (e.g., Software Developer, Data Manager) to implement and manage them, leading to a poor return on investment.

#### **Opportunity Cost of Delayed Digital Transformation:**

**Risk:** The inability to automate processes and implement e-services due to a lack of capacity forces the municipality to continue with inefficient manual processes.

**Impact:** This results in continued revenue leakage (e.g., from inefficient billing), higher administrative costs, and a failure to modernize legacy systems, which become increasingly expensive to maintain.

#### **Reputational Risks**

##### **Erosion of Public Trust:**

**Risk:** Service delivery failures caused by network outages, system downtime, and slow response times to resident issues are directly visible to the public. The inability to provide reliable e-services or handle basic transactions digitally creates a perception of incompetence.

**Impact:** This erodes citizen confidence in the municipality's ability to govern effectively, leading to public frustration, increased complaints to MPAC and the office of the Mayor, and negative media coverage.

##### **Repeated Auditor-General Findings:**

**Risk:** The responses explicitly link specific vacancies (e.g., Governance and Risk Coordinator) to repeat audit findings.

**Impact:** Persistent negative audit outcomes damage the municipality's credibility with national treasury, potential investors, and the public. It signals a lack of internal control and accountability, which can lead to administrative intervention or withholding of grants.

##### **Paralysis of Digital Transformation:**

**Risk:** The municipality is publicly associated with the concept of a "Smart City," yet it operates with a draft strategy (until recently) and a critical shortage of skills to deliver on this vision.

**Impact:** This creates a reputational gap between promise and reality. The municipality is seen as incapable of modernizing or preparing for the future, deterring investment and making it difficult to attract top-tier talent.

##### **Governance and Security Vulnerability:**

**Risk:** The report highlights an "unstable IT environment" and "vulnerabilities...at risk of a potential cyber security attack." The absence of a Governance and Risk Coordinator and an IT Change Practitioner means there are no dedicated resources to manage these threats.

**Impact:** A successful cyber-attack or major data breach would be catastrophic, exposing sensitive resident and municipal data. The resulting scandal would cause immense and lasting reputational damage.

### **Recommendations to Council**

Council should adopt a targeted oversight approach, focusing on the systemic issues of capacity, structure, and accountability. The following recommendations are made:

#### **Category 1: Addressing Critical Staffing and Capacity Gaps**

- **Recommendation:** Compel the Accounting Officer to urgently intervene on the moratorium for funded, critical ICT posts.
- **Rationale:** The responses clearly show that 5 funded posts are vacant. The moratorium is a self-imposed constraint that directly contributes to operational failure and audit risks.
- **Action:** Council should request a report from the Accounting Officer detailing which funded ICT posts will be exempted from the moratorium, with a clear recruitment and appointment timeline (e.g., within 3 months). This should specifically prioritize the IT Operations Manager and the Governance and Risk Coordinator.
- **Recommendation:** Direct the Department to develop a phased plan to address the IT Support staffing shortfall.
- **Rationale:** The current 1:280 support ratio is unsustainable and a root cause of inefficiency and poor service delivery across all departments.
- **Action:** Council should require a plan to fill the shortfall of 10 support positions to achieve a 1:150 ratio. The plan must include budget implications, a recruitment timeline, and interim measures to improve response times until the positions are filled.
- **Recommendation:** Investigate the structural placement of the Head of ICT.
- **Rationale:** The Head of ICT not being part of Top Management contradicts the stated role of ICT as a "strategic enabler." This lack of representation at the executive level explains why ICT issues are not prioritized.
- **Action:** Council should call for a review of the organizational structure to consider elevating the Head of ICT to a Top Management position (e.g., Chief Information Officer) with a direct reporting line to the Accounting Officer.

#### **Category 2: Strengthening Strategic Implementation**

- **Recommendation:** Request a formal implementation plan for the newly approved ICT and Digital Strategy.
- **Rationale:** A strategy is only useful if implemented. Council must ensure the strategy is not simply approved and shelved.
- **Action:** The Senior Manager ICT should be required to present a detailed implementation roadmap to Council within 60 days. The roadmap must include key milestones, a budget allocation per initiative, responsible persons (considering the vacancy gap), and a schedule for workshopping councillors.
- **Recommendation:** Scrutinize the R 5.4 million capital budget allocation for ICT.
- **Rationale:** The current budget is a list of items, not a coherent plan. Given the capacity constraints, it is unlikely to be spent effectively.
- **Action:** Council should recommend that the department reprioritize its capital budget to focus on two or three high-impact, foundational projects (e.g., Master Data Management and Disaster Recovery) rather than spreading resources thinly. Any budget allocation must be contingent on the availability of staff to manage the projects.

**Category 3: Enhancing Governance and Accountability**

- **Recommendation:** Instruct the Department to quantify the financial impact of understaffing and vandalism.
- **Rationale:** To truly understand the risk, the committee needs financial data.
- **Action:** Council should request a report detailing:
  - Total expenditure on external consultants for ICT in the past 24 months.
  - Total cost of repairs and security measures related to infrastructure vandalism in the past 24 months.
  - Estimated revenue loss or additional costs incurred due to system downtime caused by capacity constraints.

**Category 4: Municipal Accounts Committee Additional Comments**

- **Recommendation:** Enforce compliance with reporting standards and data integrity.
- **Rationale:** The additional MPAC comments (on pages 522, 558, 559, etc.) reveal a lack of attention to detail and basic data management. This is unacceptable.
- **Action:** Council should issue a formal instruction that all future reports submitted to the committee must comply with National Treasury requirements, with all tables fully populated, correctly formatted, and accompanied by clear narrations. The Accounting Officer should be held accountable for ensuring that departments do not work in silos and that data across the organization is validated and consistent.

## 10.7 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE SPATIAL PLANNING AND DEVELOPMENT

### Overall Assessment

The management responses provided are highly detailed for the Tyutyu project but are either incomplete, absent, or fail to address the core systemic and strategic questions for most other sections. The primary risk is that MPAC is provided with **activity-based answers (what was done) rather than outcome-based answers (what was achieved, why problems occurred, and what will change)**. This exposes the municipality to significant operational paralysis, reputational damage, non-compliance with legislation (MFMA-Section 171, SPLUMASection 7 and 24), and potential financial loss.

The core risk to Buffalo City Metropolitan Municipality is that Municipal Public Accounts Committee and Council are being shielded from the true state of affairs. Without honest assessments of root causes (e.g., lack of capacity, inter-governmental gridlock, leadership instability, flawed processes) and concrete action plans with timelines, the identified challenges—from stalled housing projects to non-compliant reporting—will persist, accumulate, and ultimately result in adverse audit outcomes, legal exposure, and the continued erosion of public trust.

### Detailed Analysis

#### 1. Annual Report Omission (Page 262)

##### Root Cause:

The 2024/2025 Annual Report omitted the required introductory overview of opportunities and challenges in economic development and physical planning, as per MFMA Circular 63.

**Management Response:** Missing/Not Provided. The column is blank.

##### Analysis:

The absence of a response fails to address the root cause, which is a failure in the reporting and quality assurance process. Management has not explained whether this was an oversight, a directive from leadership, or a misunderstanding of the guidelines.

##### Risks:

**Compliance Risk:** Continued non-compliance with MFMA reporting requirements could lead to qualified audit findings from the Auditor-General.

**Governance Risk:** It signals a weak internal review process for statutory reports before submission to Council and Municipal Public Accounts Committee.

## 2. Integrated Urban Development Framework (Page 262)

### Root Cause :

The report highlights elements of the "Compact City" but fails to provide a progress report on implementation.

**Management Response:** Missing/Not Provided. The column is blank.

### Analysis:

By not providing the requested progress report, management misses the opportunity to demonstrate strategic alignment with national policy (IUDF) and to account for how spatial planning is actively directing growth.

### Risks:

**Strategic Drift:** Without tracking implementation, the "Compact City" concept remains a theoretical principle rather than a program of action, leading to uncoordinated urban sprawl.

**Wasted Resources:** Previous planning work and framework development may have incurred costs without yielding tangible outcomes.

## 3. Municipal Planning Tribunal (MPT) Functionality (Page 265)

### Root Cause:

Members were gazetted in 2023, but no indication is given on whether the MPT is functional and meets as required.

**Management Response:** Missing/Not Provided. The column is blank.

### Analysis:

The question asks for the *functional status* of the MPT. A lack of response implies a potential dysfunction. If the MPT is not meeting, land use applications are likely piling up, causing delays.

### Risks:

**Operational Risk:** A non-functional MPT paralyzes the land development market, leading to frustrated applicants, legal challenges (e.g., for deemed refusal), and a negative investment climate.

**Service Delivery Risk:** Delays in land use approvals can stall housing projects and economic development initiatives.

## 4. Land Use Applications & SPLUMA By-Law (Page 265)

### Root Cause:

The report lacks a complete picture of application volumes (outstanding, new, processed) and how the new ByLaw is being understood by traditional councils.

**Management Response:** Partially Addressed.

While the response notes that 27 reports were considered and that SPLUMA requires consent from Traditional Councils, it does not provide the requested data (outstanding applications, turnaround times) or details on training/awareness programs.

**Risks:**

**Data Integrity Risk:** Without baseline data (number of outstanding applications), management cannot effectively monitor performance or allocate resources.

**Compliance Risk:** Failure to adequately train staff and Traditional Councils on the new By-Law creates a risk of procedural errors, leading to appeals, judicial reviews, and invalid decisions.

**5. Xhwithinja Township Establishment (Pages 45 and 275)****Root Cause:**

The project is stalled due to "land ownership issues...outside the control of BCMM." MPAC questions the legal status, agreements with the Traditional Council, and funding conditions.

**Management Response:** Does Not Address Root Cause.

- The response simply repeats the statement that land ownership issues are outside BCMM's control. It provides no details on:
  - The specific legal status or the stage of the township establishment process (e.g., Section 96 vs. 103).
  - The existence or terms of any formal agreement with the Traditional Council.
  - Communication with funders regarding the delay.
  - The fact that pages 45 and 275 are identical (a duplication error).

**Risks:**

**Financial Risk:** If funding is conditional on township proclamation, the delay risks the recall of grants or housing subsidies, potentially resulting in "stranded assets" (land with infrastructure but no legal title).

**Political/Community Risk:** The continued delay without clear communication can lead to community unrest, illegal land invasions, and strained relations with the Traditional Council.

**Reputational Risk:** Blaming external factors ("outside our control") without demonstrating proactive engagement with the Provincial Department and Traditional Council appears passive and suggests a lack of accountability.

## 6. Tyutyu Township Establishment (Pages 45 and 275)

### Root Cause:

The project is delayed due to environmental issues, requiring a Section 24G application to rectify unlawful land clearance/invasion.

**Management Response:** Addresses Activity, Not Root Cause Resolution.

The response provides an excellent chronological account of activities (appointments, meetings, submissions). However, it does not answer the core question: What is the current status? The response ends with "To date BCMM has not received any further information/correspondence from DDEAT." This is a statement of *no progress*, not a plan to resolve the impasse.

### Risks:

**Project Failure Risk:** The Section 24G application has been with the provincial department since October 2024. The project team appears to be waiting passively for a response. This passive stance risks the application being refused or indefinitely delayed.

**Legal/Financial Risk:** The response mentions BCMM had to "provide reasons...why fines...should not be instituted." If DEDEAT imposes a fine, it represents an unforeseen financial liability directly linked to an unlawful activity (land invasion) on municipal land.

**Contractor Risk:** The Service Provider was appointed in 2023. The contract is active, but work is stalled. Prolonged delays can lead to the service provider claiming additional costs, terminating the contract, or losing key personnel.

## 7. Management of Central Business Districts (CBDs) (Page 277)

### Root Cause:

Municipal Public Accounts Committee requests a strategy to manage the growing concentration of informal and foreign-owned businesses in the CBDs of King William's Town and East London.

**Management Response:** Missing/Not Provided. The column is blank.

### Risks:

**Economic Decline Risk:** Without a strategy, the CBDs face continued decay, declining property values, and potential conflict between formal and informal traders.

**Social Instability Risk:** Unmanaged economic activity can lead to tensions, xenophobic sentiments, and social instability, as seen in other South African metros.

Additional Municipal Public Accounts Committee Comments Analysis

- Comment 1 and 3: Tables require narrations for ease of reference. Comment 2: Management to confirm variance reflected in tables.

**Management Response:** Missing/Not Provided. There is no response to these procedural and data integrity comments.

**Risks:**

**Audit Risk:** Unclear, unnarrated tables with unexplained variances are a common source of audit findings. The Auditor-General frequently cites "usefulness and reliability of information" in annual reports.

**Decision-Making Risk:** Municipal Public Accounts Committee and Council cannot make informed decisions if they cannot understand the data presented.

**Recommendations to Council**

**1. Immediate Corrective Actions (Reporting and Compliance)**

**Direct** the Accounting Officer and Head of Spatial Planning to provide a formal written explanation to MPAC regarding the omission of the mandatory overview section (MFMA Circular 63) in the 2024/2025 annual report. This should include an accountability matrix detailing who was responsible for the compilation and quality assurance of the report.

**Instruct** Management to submit a supplementary narrative to MPAC that addresses all "silent" tables and unexplained variances within 30 days, ensuring all performance data is validated, legible, and compliant with National Treasury standards.

**2. Strengthening Governance and Operational Efficiency**

**MPT Functionality:**

**Resolve:** Management must provide a detailed schedule of MPT meetings held in the 2024/2025 financial year, including dates, decisions taken, and reasons for any cancellations.

**Resolve:** A report must be submitted to Council detailing the training provided to MPT members and staff on the SPLUMA By-Law, particularly regarding the provisions for communal land applications.

**Land Use Application Process:**

**Resolve:** Management must develop and present a "Turnaround Time Improvement Plan" for land use applications. This plan must include a current database of all pending applications, categorized by type (delegated vs. MPT), date of receipt, and the current stage of processing.

**SPLUMA By-Law and Land Use Scheme:**

**Resolve:** Management must present a comprehensive progress report on the remaining two phases of the Land Use Scheme and SPLUMA By-Law review, with clear and enforceable timelines for completion to ensure alignment with the 2025 national regulations.

### 3. Intervention in Stalled Projects

#### **Xhwithinja Township Establishment:**

**Resolve:** A high-level task team, comprising the Head of Spatial Planning, Legal Services, and a representative from the Department of Human Settlements, must be established.

**Action:** This task team is to engage directly with the relevant Traditional Council to finalize a Land Availability Agreement. A report on the status of land ownership transfer from the Department of Public Works (or relevant provincial authority) must be submitted within 60 days to mitigate the risk of fund recall.

#### **Tyutyu Settlement Project (Section 24G):**

**Resolve:** Management must provide a full risk assessment regarding the environmental non-compliance (land invasions) and the potential financial liability (fines) stemming from the Section 24G application.

**Action:** A clear strategy must be developed to address the land invasions, balancing the housing need with environmental and legal compliance. Council must be updated on the status of the DDEAT application within 30 days.

### 4. Enhancement of Council Oversight

**Future Reporting:** Council resolves that future annual reports from the Spatial Planning department must include:

- A detailed narrative on the implementation of the IUDF.
- A clear breakdown of land use applications from areas under Traditional Council jurisdiction, including details on objections raised and how they were resolved.
- A specific section on the management of CBDs, detailing strategies to address informal trading, foreignowned businesses, and urban decay.

**Accountability:** The MPAC recommends that the Council holds the Head of Department: Spatial Planning and Development accountable for the submission of these remedial action reports in a timely manner, as the current level of reporting is inadequate and reflects poorly on the municipality's administrative capability.

## 10.8 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE OF FINANCE SERVICES

### Overall Assessment:

The management responses are often a mix of defensiveness, technical justifications, and acknowledgements of action. However, a recurring pattern emerges where responses **fail to address the root causes** of systemic failure, particularly regarding accountability, consequence management, and inter-departmental coordination. Several responses indicate that management is aware of the problems but has not yet implemented sustainable solutions, especially where they rely on other departments to act.

### Analysis

#### 1. Audit Outcome: Assets (Page 1-2)

##### Root Cause:

- Persistent qualification on assets due to errors in the Fixed Asset Register (useful life, impairment, componentisation, WIP capitalisation) despite spending significantly on consultants.
- The root cause is a lack of internal technical capacity and poor project management by user departments.

##### Management Response:

- Defends spending as "outsourced service" for ADS System and Asset Management.
- States that errors are "still yet to be confirmed by AG".
- Places responsibility on "User Departments" for closing off projects.
- Claims "NO WIP finding in 2025 relating to non-capitalised projects."

##### Finding:

- Response does not fully address the root cause. While management confirms meetings were held and user departments submitted information, they admit "user Departments did not adhere to the set deadlines... due to inadequate maintenance of project files."
- The root cause of poor project management and documentation by line departments remains unaddressed. The "instruction issued last year" failed because there were no consequences for noncompliance.
- Management's response implies that as long as information was submitted, the process was successful, ignoring the quality issues that led to errors in the register (impairment, useful life).
- The statement regarding depreciation and expenditure is dismissive ("it cannot be avoided"), failing to address the committee's concern about the accuracy of the non-cash entries impacting the financial statements.

#### 2. Audit Outcome: Inconsistent Reporting (Page 3)

##### Root Cause:

Discrepancies between prior and current year reports (e.g., PPE figures differing by R 11bn).

**Management Response:**

- States that management disagrees with the finding.
- Explains differences as being due to GRAP 3 (prior period adjustments) and differing grouping of figures in the Annual Report vs. AFS.

**Finding:**

- Response is inadequate. The issue is not merely about *how* figures are grouped, but the lack of internal review and assurance that allowed such a significant discrepancy to exist in the final report submitted to the AG.
- Management's solution of "weekly technical sessions with AGSA" is a reactive audit engagement strategy, not a proactive internal control to ensure consistency *before* submission.
- The root cause of poor internal review and quality control over the final reporting pack is not addressed.

**3. Audit Outcome: Material Irregularities (APR) (Page 4)****Root Cause:**

Failure to resolve two previously reported Material Irregularities (Nahoon bulk outflow sewer pipeline and loss of revenue from rentals).

**Management Response:**

**Nahoon Pipeline:** "Water and Sanitation to respond" (no response from Finance).

**Leases:** Provides a detailed, positive response on progress (reconciliation, market reviews, automation).

**Finding:**

- Response is partially inadequate. The management response for the Nahoon pipeline is a non-response ("Water and Sanitation to respond").
- The root cause for the pipeline irregularity is inaction and lack of funding.
- The failure to respond in this report suggests a continued lack of accountability or an inability to provide a status update.
- While the lease response is comprehensive, it addresses the *current* problem but does not explain the *historical* failure to act that led to the material irregularity being raised in the first place.

**4. Financial Planning and Performance: Irregular Expenditure (Page 5)****Root Cause:**

Non-compliance with SCM regulations (deviations, lack of competitive bidding) leading to R 409.3 million in irregular expenditure.

**Management Response:**

- States that historical expenditure is being investigated.
- Claims irregular contracts have been terminated.

- Points to automated contract management as a preventative measure.
- Mentions one pending referral.

**Finding:**

- Response does not address accountability.
- The response focuses on process (automation) and investigation of historical amounts.
- The root cause is failure to follow the law (SCM Regulation 19(a) and 36(1)).
- The response fails to answer the committee's questions about who is accountable and what consequence management has been taken against officials who authorized unlawful deviations.
- The response that "there are no cases, except for the recent referral" contradicts the AG's finding of systemic non-compliance. This suggests management either does not view the R 409.3 million as a consequence management issue or is shielding responsible officials.

**5. Financial Planning and Performance: Unauthorised Expenditure (Page 6)**

**Root Cause:**

R 646.82 million in unauthorised expenditure, mostly due to depreciation and amortisation not being budgeted for.

**Management Response:**

- Acknowledges the City has a UIFW strategy.
- States it is monitored monthly.

**Finding:**

- Response is insufficient.
- The root cause is a budgeting failure (failure to plan for non-cash items).
- The response does not explain why depreciation, a predictable expense, is consistently not budgeted for, nor does it provide a mechanism to prevent this in future budgets beyond "monthly monitoring."
- The "strategy" is not detailed.

**6. Financial Planning and Performance: Fruitless and Wasteful Expenditure (Page 6-7)**

**Root Cause:**

- R 6.6 million incurred (fines, contract cancellations).
- The issue highlights a discrepancy between the Management Report and Audit Report figures.

**Management Response:**

- Provides a detailed breakdown of the R 6.6 million (fines and contract cancellation).
- Clarifies that the discrepancy is due to a specific R 4.5m contract cancellation.
- States that none relate to interest on late payments, contradicting the AG's note.
- Describes the process for scrutinising Fruitless and Wasteful Expenditure.

**Finding:**

- Response partially addresses the root cause.
- The detailed breakdown is helpful. However, it contradicts the AG's finding of interest on late payments (R 692k) by stating there were none.
- The root causes of the Fruitless and Wasteful Expenditure (environmental regulation non-compliance, poor contract management) are acknowledged.
- The "response" is largely a description of the *incidents* rather than a *plan* to prevent them.
- The process described ("advising directorates") lacks teeth if no consequence management follows for the individuals responsible.

**7. Billing and Debt Collection (Pages 7-14)****Root Cause:**

Numerous issues:

- billing queries not resolved
- postal service challenges
- use of interim readings
- declining collection rate (186 days)
- meter tampering
- theft
- indigent register fraud
- deceased estate obstacles.

**Management Response:**

- **Billing:** Acknowledges postal issues, promotes e-statements, and details smart meter benefits.
- **Debt Collection:** Attributes decline to economic pressures, provides block/reconnection stats, details provision for bad debts, and describes indigent registration campaigns.
- **Indigent:** Admits to past fraud (R 2.9m) due to lack of access to external databases. Describes new Indigent Management System (IMS).
- **Deceased Estates:** Acknowledges the problem, mentions a 12-month grace period in policy, and discusses panel lawyers.

**Finding:**

- Responses are detailed but highlight systemic failures.
- **Debt Collection:** The root cause of a 186-day collection period is weak enforcement. Management provides stats on suspensions (974,179) vs. blockings (19,743), showing that disconnections are an administrative exercise (954,436 were reinstated), not an effective deterrent. The response does not address why the "full arsenal of tools" is ineffective.
- **Revenue Protection:** The response reveals a critical capacity failure (Revenue Protection unit at 32% staff capacity). This is the root cause of the inability to curb theft and tampering. Management's plan to address this ("new organogram," "initial grant funding") is a *future plan*, not a current solution.
- **Indigent Register:** The response addresses the *technical* root cause (lack of database integration) with the IMS. However, the *policy* root cause (deceased estates) remains unaddressed. Management points

to a 12-month grace period and a panel of lawyers but provides no evidence that these mechanisms are working or that the policy is being effectively implemented to prevent families from falling off the register.

## 8. Supply Chain Management (Page 16)

### Root Cause:

Systemic non-compliance with SCM regulations (deviations, conflicts of interest, poor contract management) leading to R 409.3 million irregular expenditure.

### Management Response:

- Mentions a Consequence Management Policy awaiting Council approval.
- Notes an appeal lodged with AGSA regarding a deviation.
- States investigations are handled by the Risk Management Unit.

### Finding:

- Response is severely inadequate.
- The root cause is a lack of consequence management. Management's response confirms this by stating the policy is still awaiting approval.
- The response deflects accountability ("investigations handled by risk unit") without providing outcomes.
- The "appeal" against the AG's finding is a dispute of the finding, not an action to prevent recurrence.
- The committee asked for a plan for consequence management. Management provided a plan to *create a plan* (a policy) and an excuse for inaction (a dispute). This does not address the root cause of years of non-compliance.

### Overall Finding:

The 2024/2025 financial year shows a continuation of systemic failures in financial management, asset management, procurement, and debt collection. While management has identified some issues and initiated some projects (e.g., Indigent Management System, lease register automation, automated contract management), the lack of consequence management remains the single greatest obstacle to improvement. Management responses frequently point to a lack of capacity in other departments or external factors but fail to demonstrate accountability for the failures within their control.

### Specific Findings:

**Persistent Asset Management Failure:** Despite spending R10.5 million on consultants, the root cause of poor project management and incomplete documentation by user departments remains unaddressed. The reliance on consultants has created a dependency without building sustainable internal capacity or enforcing accountability.

**Ineffective Debt Collection:** The collection rate of 186 days is evidence that current credit control measures are failing. The Revenue Protection Unit is critically understaffed (32%), and the practice of mass disconnections followed by mass reinstatements shows the process is not a credible deterrent.

**Unresolved Material Irregularities:** Management has failed to provide a status update on the Nahoon bulk outflow sewer pipeline, indicating a lack of urgency in resolving serious environmental and infrastructure matters.

**Absence of Consequence Management:** The R 409.3 million in irregular expenditure is a direct result of a breakdown in compliance and accountability. The fact that a Consequence Management Policy is still "awaiting approval" and that no specific actions against officials have been reported is unacceptable. This suggests a culture of impunity that allows systemic failures to persist.

**Budgetary Mismanagement:** Unauthorised expenditure of R 646.82 million, driven by unbudgeted depreciation, highlights a fundamental failure in the budget planning process.

**Indigent Register Integrity:** While steps are being taken to clean the register, the R 2.9 million in unlawful rebates highlights past failures. Furthermore, the policy gap regarding deceased estates continues to disenfranchise vulnerable households, creating an ethical and administrative problem that remains unresolved.

### Recommendations to Council:

Instruct the Accounting Officer to report on consequence management:

- **Action:** Demand a detailed, itemized report within 30 days detailing all disciplinary cases instituted against officials responsible for the 2024/2025 findings, specifically for irregular expenditure (R 409.3m) and fruitless and wasteful expenditure (R 6.6m).
- **Accountability:** The report must include the names of officials charged, the nature of the charges, the current status of the case, and the final outcome.

Mandate an Action Plan for Asset Management:

- **Action:** Direct the Chief Financial Officer and Heads of Departments to present a joint action plan to Council to resolve the asset qualification. The plan must include:
  - **Capacity Building:** A strategy to develop internal technical expertise to reduce reliance on consultants.
  - **Deadlines:** Firm deadlines for user departments to finalize project files and close out WIP, with a clear escalation process for non-compliance.
  - **Revaluation:** A status update on the move from the Revaluation Model to the Cost Model.

Direct a Review of Debt Collection and Revenue Protection:

- **Action:** Instruct the Chief Financial Officer to present a revised revenue enhancement strategy that moves beyond the current "disconnect-reconnect" cycle. The strategy must include:
  - **Capacitation:** A timeline for filling vacancies in the Revenue Protection Unit to 100% capacity.
  - **Enforcement:** A clear policy on prosecuting illegal connections and meter tampering, moving beyond administrative fines to criminal prosecution where warranted.
  - **Collection Rate:** A phased plan with monthly targets to reduce the collection period from 186 days to the national norm of 30 days.

Resolve the Nahoon Pipeline Material Irregularity:

- **Action:** Instruct the Head of Water and Sanitation to provide Council with a comprehensive status report on the material irregularity, including the specific funding, engineering, and legal barriers, and a firm timeline for resolution.

Amend the Indigent Support Policy:

- **Action:** Instruct the Executive Mayor to bring an amendment to the Indigent Support Policy before Council to extend the subsidy period for households where the property owner has died. The amendment should allow for a continued subsidy until the estate is resolved, provided the heirs meet the qualifying criteria, preventing vulnerable households from falling off the register.

**Enforce Budgeting Compliance:**

- **Action:** Instruct the Chief Financial Officer to implement a new protocol ensuring that all material noncash expenses (depreciation, amortization, impairments) are accurately budgeted for in the 2026/2027 budget, to prevent further unauthorised expenditure.

## 10.9 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE INFRASTRUCTURE SERVICES

### Overall Assessment

The document reviewed represents a series of interactions between Municipal Public Accounts Committee and the Administration, focusing on the Auditor-General's findings and the Annual Performance Report for the Infrastructure Services portfolio. The document reveals a municipal administration that is struggling to execute its core mandate of providing basic services.

The document reveals a municipality where infrastructure services are in a state of acute crisis. The core failures are not solely financial but represent a systemic breakdown in planning, project management, procurement, and data governance.

Management's responses, where provided, are often reactive, defensive, and fail to offer concrete, time-bound solutions. The failure to respond to several critical findings, particularly the R 64.5 million irregularities in the electricity department, is a direct affront to this committee's oversight role.

Key overarching findings include:

- **Pervasive Project Delays and Scope Management Failures:** Projects, particularly the Mdantsane Wastewater Treatment Works, are significantly delayed (by over 8 years), with management failing to update project scopes to reflect current realities, leading to inefficiencies and cost escalations.
- **Critical Infrastructure Failure:** The wastewater treatment network is in a state of collapse, with only 3 out of 15 plants being fully operational and licensed. This poses a severe environmental and public health risk.
- **Breakdown of Administrative and Regulatory Compliance:** The failure to renew critical water use licenses and the inability to complete basic procurement processes (like for professional services) have left key infrastructure operating illegally and vulnerable.
- **Severe Governance Lapses:** The "Eyabantu" electricity project is a case study in a total breakdown of internal controls, with direct contraventions of Supply Chain Management Regulations, resulting in irregular expenditure and leaving the municipality financially exposed.
- **Unreliable Data and Performance Reporting:** A recurring theme is the inability to provide reliable data (e.g., road network length, pothole complaints, water losses), making performance management and oversight nearly impossible.
- **Ineffective Security and Asset Management:** Rampant vandalism and theft, exacerbated by the centralization of security services, have led to the complete shutdown of several critical plants and the loss of essential monitoring equipment.

### Detailed Analysis and Findings

#### A. Wastewater Treatment: A System in Crisis

##### Root Cause

**Project Delays and Outdated Scope (Mdantsane Wastewater Treatment Work:** The project is based on a 2014 feasibility

study, with a planned completion in 2018, yet remains incomplete. Vandalism between 2020-2021 was not incorporated into the project scope.

### Risk

- **Value-for-Money loss:** Construction costs have escalated due to inflation; with no guarantee the current budget will cover the required work.
- **Uncertainty:** The actual cost to complete and the timeline for delivery are unknown.

### Response

**Inadequate**-The response attempts to justify the approach by stating work is reassessed annually based on available budget.

**This does not address the core issue:** executing a major, multi-phase project without an updated master plan that accounts for site conditions, vandalism, and current costs. It is a reactive "slapdash" approach, not proper project management.

### Root Cause

**Non-Functional Plants and Expired Licenses:** Of 15 Wastewater Treatment Works, only 3 are operational and licensed. 4 are completely vandalized. This is a repeat audit finding as it was highlighted in the prior years as well.

### Risk

- **Environmental Catastrophe:** Untreated sewage is being discharged into rivers, impacting flora, fauna, and human health.
- **Legal Liability:** The municipality faces legal action (environmental court orders) and significant fines for operating without licenses.
- **Reputational Damage:** The municipality is the highest-ranked in the province, but this is contradicted by the state of its infrastructure.

### Response

**Inadequate.** While the response provides detail on the status of plants and challenges (budget, procurement failures), it fails to offer a concrete, time-bound plan for resolution.

The excuse that the license renewal process was halted due to an expired contract (CE 277) points to a fundamental failure in supply chain and contract management. The plan to use Section 116 of the Municipal Finance Management Act, 56 of 2003, to continue the work is noted, but it should have been initiated long before the contract expired.

### Root Cause

**Bio-Remediation Pilots:** Pilots were conducted, but management reports they yielded no positive results and were stopped.

#### **Risk**

**Wasted Resources:** Funds spent on ineffective pilots.

**Missed Opportunity:** Time was spent on experiments while the core issue of broken infrastructure remained unaddressed.

#### **Response**

Acceptable (but concerning).

The explanation that the pilot showed no results is clear. The concern is that this appears to have been a diversion from the core problem of physical infrastructure failure.

### **B. Roads and Stormwater: Data and Maintenance Failures**

#### **Root Cause**

Outdated Road Network Data: The road network was last measured in 2012. Reported achievements (e.g., 0.451%

resurfaced) are unreliable.

#### Risk

**Inability to Plan:** Without accurate data, capital and maintenance planning is guesswork.

**Misleading Performance Reporting:** The municipality is reporting achievements based on incorrect or unknown baselines.

#### Response

**Partially Adequate.** The response acknowledges the issue and states a procurement process for a new PMS failed. It admits to using 2012 data for reporting, which is a clear admission of failure to provide accurate information.

#### Root Cause

**Pothole Management Process Failure:** There is no formal SOP for logging and tracking pothole complaints. General maintenance records are used, making it impossible to verify if complaints were resolved on time.

#### Risk

**Legal Liability:** The municipality cannot defend itself against claims for damages caused by potholes if it has no record of the complaint.

**Poor Service Delivery:** Citizens have no assurance that their reports are being addressed.

#### Response

**Inadequate.** The response admits to using a manual Excel sheet and that the current process makes it "difficult to differentiate" between reported and unreported work.

This is not a defense; it is an admission of a broken system. The reliance on IT to provide a system, with no timeline, is unacceptable. Review in line with Director's response on the use of a manual system.

#### Root Cause

**Mzamomhle Gravel Road Upgrades:** Quality issues (hairline cracks, blocked drains) identified in the previous audit were not repaired as committed, and the road is now showing defects.

#### Risk

**Wasted Capital Investment:** The lifespan of the newly upgraded road will be significantly reduced, representing a loss of public funds.

**Recurring Audit Finding:** The failure to address a prior finding indicates a culture of non-compliance.

#### Response

**No Response Provided-**The document does not contain management's response to this specific finding, leaving questions of accountability and cost implications unanswered.

## Recommendations to Council

Based on the above analysis, MPAC recommends the following actions:

### A. Immediate Corrective Actions (Within 30 Days)

- **Wastewater License Renewal:** The Accounting Officer must present a revised, time-bound action plan to MPAC within 14 days to finalize the water use license applications. This plan must include a clear milestone for the Section 116 report submission and a timeline for completing the process, with a designated official held accountable for each step.
- **Pothole Management:** The Administration must, within 14 days, implement an interim, standardized system for logging and tracking pothole complaints (e.g., a simple, dedicated Excel sheet with unique reference numbers) until an automated system is in place. A timeline for the procurement and implementation of the automated system must be presented to MPAC.

### B. Medium-Term Corrective Actions (Within 3-6 Months)

- **Project Scope Reassessment:** Council resolves that all major infrastructure projects (specifically Mdantsane WWTW) must have their feasibility studies and project scopes updated to reflect current conditions before any further multi-year budget allocations are approved.
- **Asset Management and Security:** The Acting Accounting Officer must, in coordination with Public Safety, present a comprehensive plan to Council to secure all critical water and wastewater infrastructure. This plan must include a clear budget allocation for physical security measures (fencing, lighting) and a protocol for deploying security personnel.
- **Data Integrity and Reporting:** The Accounting Officer must implement a formal process to review and validate all data submitted for the Annual Performance Report. This must include a sign-off mechanism by the relevant Head of Department and the Chief Financial Officer for all technical and financial data.

### C. Long-Term Strategic Actions (Within 12 Months)

- **Infrastructure Master Plan:** Council resolves to commission a comprehensive, updated Infrastructure Master Plan for Water, Sanitation, and Roads. This plan must be based on an accurate asset register and a condition assessment of all existing infrastructure and must inform all future capital budgets.
- **Procurement and Contract Management Review:** Council directs the Accounting Officer to conduct a full review of the Supply Chain Management unit's processes and capacity, with a specific focus on ensuring the continuity of professional service contracts to avoid disruptions like the CE 277 expiry.

## Fleet Management

## Overall Assessment

The Management Response provides a detailed list of intended solutions (Digital Transformation, RT46 utilization) but fails to address the root causes identified in the 2024/2025 column regarding past failures. The response conflates "future plans" with "answers to accountability questions."

## Specific Gaps:

- **Root Cause: Coordination and Planning**
  - **Issue:** The question asked if a Fleet Management Plan exists currently to ensure coordination. ○ **Response:** Management listed future initiatives (Digital Transformation) rather than confirming an existing, approved plan with specific KPIs for 2024/25. There is no evidence provided that a strategic plan is currently operational.
- **Root Cause: Maintenance and Turnaround**
  - **Issue:** The Committee asked for the turnaround time to repair broken-down fleet. ○ **Response:** Management stated "Faster turnaround" as an advantage of the RT46 but did not provide the current turnaround time (e.g., 3 days, 2 weeks) or the target turnaround time. Without baseline data, the response is vague.
- **Root Cause: Budget Dependency**
  - **Issue:** The Committee asked for a plan to cut hiring/leasing and procure own fleet. ○ **Response:** Management shifted the onus back to Directorates, stating they must "ringfence the budget." This does not constitute a central plan by Fleet Management to reduce reliance on leasing; it merely shifts the financial risk to user departments without addressing the core issue of fleet availability.

## 2. Financial Risks

If the response is implemented as described (or if the current lack of clarity persists), the following financial risks are identified:

- **Unfunded Mandate Risk:** Management stated that Directorates must send budget with their fleet requirements. If a Directorate has a critical service delivery need but insufficient budget, there is a high risk that Fleet Management will not procure the vehicle, leading to service delivery failures (e.g., refuse not collected) or unauthorized expenditure if procurement proceeds without budget.
- **Escalating Leasing Costs:** The response lacks a concrete plan to reduce hired/leased fleet. If the "procure own fleet" strategy is contingent on Directorates ringfencing budgets (which are often already strained), the Metro may continue to rely on expensive operating leases indefinitely. Leasing is typically more expensive than owning over the asset's lifecycle, representing a long-term drain on operational expenditure.
- **RT46 Dependency Risk:** While using the National Treasury RT46 contract is good practice to bypass bottlenecks, there is a risk of "scope creep." If internal maintenance capacity is allowed to atrophy entirely, the Metro becomes 100% dependent on external service providers. Without competitive bidding oversight (as RT46 providers are pre-vetted), the Municipality may pay premium pricing for minor repairs that could have been done cheaper in-house.

## 3. Reputational Risks

- **Service Delivery Failure:** The response emphasizes tracking "Water Tankers and Refuse Compactors." However, without a confirmed maintenance turnaround time, there is a high reputational risk that these critical vehicles remain "idle in the workshop" (as mentioned in the operational advantages) for extended periods. In a Metropolitan Municipality, non-collection of waste or water shortages due to broken fleet directly leads to public protests and negative media coverage.
- **Lack of Accountability:** The response attempts to delegate responsibility to Directorates ("send budget") and technical processes (RT46). To MPAC and the public, this appears as "passing the buck." If MPAC does not probe

further, it creates a perception that the Fleet Department is merely a procurement agent rather than a strategic asset manager responsible for the availability of fleet.

- **Misrepresentation of Progress:** Listing "Digital Transformation" and "Real-time tracking" as a Fleet Management Plan suggests these are already implemented. If these systems are not yet live, management is presenting a plan as a fait accompli. Should MPAC discover later that these systems are not operational, the credibility of the Accounting Officer will be damaged.

#### 4. Recommendations to Council

Based on the gaps identified, the Municipal Public Accounts Committee (MPAC) is recommending:

##### **Recommendation 1: Demand a Verified Fleet Management Plan (Not a Wish List)**

Management must table the **approved Fleet Management Plan for 2024/2025** before Council within 30 days. The plan currently described appears to be a list of projects. Council must request a document that includes:

- A detailed organogram of the Fleet Unit with current vacancies.
- A **Key Performance Indicator (KPI)** regarding the turnaround time for repairs (e.g., "90% of minor repairs completed within 48 hours").
- A baseline report on the current average turnaround time for repairs to measure future improvement against.

##### **Recommendation 2: Audit the "RT46 Category C" Implementation**

Council resolve that Internal Audit conduct a targeted review of the utilization of the RT46 transversal contract. The review must verify:

- Whether the use of RT46 has actually resulted in "faster turnaround" compared to the previous 12 months.
- Whether there are sufficient internal controls to prevent the outsourcing of repairs that could be performed more cost-effectively by the Municipality's own workshop staff.

##### **Recommendation 3: Implement a "Buy vs. Hire" Strategy**

- The Council resolves that Management develop a **Fleet Acquisition Strategy** to reduce reliance on hired/leased vehicles.
- Management must present a cost comparison analysis showing the expenditure on hired/leased vehicles over the past 3 years vs. the cost of procuring similar assets.
- A timeline must be provided outlining when the Metro intends to reduce hired fleet by a specific percentage (e.g., 20%) through strategic asset procurement, funded by ring-fenced capital budgets, rather than shifting the burden to Directorates without centralized support.

**Recommendation 4: Enforce Consequence Management for Budget Silos**

- Given Management's response that Directorates must "ringfence the budget," Council resolves that the Accounting Officer issue a directive that no fleet procurement may proceed unless the budget is certified as available and ringfenced.
- Furthermore, where fleet shortages lead to service delivery failures, both the Fleet Manager and the relevant Executive Director must account jointly to the Council, rather than allowing the Fleet Department to deflect responsibility solely to the Directorates.

## Water Services

### Overall Assessment

The Management Response provides a technical explanation of the difference between the Blue Drop Certification (a holistic process audit) and SANS 241 (a water quality standard). However, it fails to address the root causes identified in the 2024/2025 column regarding the systemic failures that led to the low Blue Drop score.

### Specific Gaps:

#### Root Cause: Systemic Process Failures

- **Issue:** MPAC identified that the 16.52% of points lost were attributed to failures in process management (Risk Management, Asset Management, Operational Efficiency).
- **Response:** Management merely defined what the Blue Drop measures (the "value chain") but did not answer the question regarding *what specific process failures* occurred, who was responsible, or why the "98% quality" claim is sustainable despite a failing system management score.

#### Root Cause: Data Integrity and Quality Assurance

- **Issue:** MPAC demanded to know who reviewed the data, who verified it, and why discrepancies were not flagged prior to submission to the Department of Water and Sanitation (DWS).
- **Response:** Management completely ignored these questions. There is no mention of a quality assurance process, the names of officials responsible, or an explanation of why unverified data was accepted.
- Root Cause: Contradictory Reporting
- **Issue:** MPAC highlighted the statistical incompatibility of a "98% compliance" claim against a failing audit score (83.48%).
- **Response:** Management dismisses this as a "misunderstanding" of indicators. While technically correct on definitions, this response is evasive. It fails to explain how a system that is "critically deficient" (by Blue Drop standards) can consistently produce "excellent" water (by SANS 241 standards) without posing a future risk to that quality.

#### Root Cause: Reputational Damage

- **Issue:** MPAC asked what interventions have been implemented since the 2023 results to address the root causes.
- **Response:** Management claims there is "no real reputational damage" and that damage is merely due to "incorrect interpretation." This demonstrates a lack of accountability and a failure to recognize that a failing regulatory score *is* reputational damage, regardless of the technical nuances.

**Financial Risks**

- **Escalating Operational Costs (Amatola Water and Amathole District Municipality [ADM]):** The response notes that 10 of the 11 water supply systems are operated by Amatola Water and ADM. If BCMM is paying these entities for water services but receiving a failing Blue Drop score due to their operational failures, there is a high financial risk that BCMM is paying for non-performance. MPAC must verify if the service level agreements (SLAs) with these entities include penalties for poor Blue Drop performance.
- **Unfunded Corrective Action Plan:** Management has not provided a budget for the corrective actions required to improve the Blue Drop score. The 16.52% lost points likely require capital investment (e.g., fixing flow meters, SCADA systems, laboratory accreditation) and operational expenditure (training process controllers). If these are not budgeted and ring-fenced, the Municipality faces the risk of wasted expenditure on a system that will fail the next audit.
- **Regulatory Penalties and Grant Withholding:** The Department of Water and Sanitation (DWS) increasingly links the Water Services Infrastructure Grant (WSIG) and other conditional grants to Blue Drop and Green Drop performance. A sustained failure to achieve certification (scoring below 95% is considered "critical") risks the withholding of grant funding, forcing BCMM to fund water infrastructure from the already strained equitable share or own revenue.

### Reputational Risks

- **Public Distrust in Water Safety:** Despite Management's claim that there is "no real reputational damage," the public does not distinguish between SANS 241 and Blue Drop. When the media reports that BCMM "failed Blue Drop" (83.48%), the public perception is that the water is unsafe to drink. Management's dismissal of this concern as a "misinterpretation" is dangerous. If the public loses confidence, they may resort to buying bottled water (increasing the cost of living) or using unsafe alternative sources, leading to potential public health crises.
- **Regulatory Reputation:** A failing Blue Drop score places BCMM on the DWS "watch list" for intervention. This signals to the National Treasury and the Provincial Government that the Municipality lacks the internal capacity to manage water services. This could lead to provincial intervention or loss of autonomy over water services, which is a significant reputational blow to the political administration and senior management.
- **Evasion of Accountability:** The refusal to name officials responsible for the data submission or to acknowledge the severity of the 83.48% score creates a perception that management is protecting officials rather than solving problems. This damages the relationship between MPAC (oversight) and the Administration (accountability).

### Recommendations to Council

Based on the evasive nature of the response and the identified risks, Council should adopt the following recommendations:

#### Recommendation 1: Enforce Consequence Management for Data Integrity

Council resolves that the Accounting Officer (Accounting Officer) be directed to provide a sworn affidavit detailing:

- The names and designations of the officials responsible for compiling, verifying, and approving the data submitted to DWS for the 2023 Blue Drop assessment.
- The specific reasons why the data submitted did not reflect the deficiencies found in the audit (i.e., why management claimed "98% compliance" internally but submitted data resulting in 83.48%).

- A written confirmation of whether any disciplinary steps have been initiated against officials who submitted

unverified or inaccurate data, in violation of the Municipal Finance Management Act (MFMA) Section 62 (responsibility of accounting officer).

**Recommendation 2: Demand a Specific Corrective Action Plan (CAP) with Budget**

Council rejects the vague assertion that "there is no inconsistency." The Council require that Management table a detailed Corrective Action Plan (CAP) within 14 days, specifically addressing the 16.52% of points lost. The CAP must:

- List each specific finding from the Blue Drop audit (referencing the relevant KPAs: Capacity Management, Risk Management, Financial Management, Technical Management, and Water Quality Compliance).
- Allocate a specific budget and funding source (e.g., WSIG, MIG, Operational) to each finding.
- Assign a specific senior manager (by name) as the responsible person for each action, with monthly reporting deadlines to MPAC.

**Recommendation 3: Review Service Level Agreements (SLAs) with Amatola Water and ADM**

Given that 10 of the 11 systems are operated by external entities (Amatola Water and ADM), Council instruct that the Internal Audit unit conduct a performance audit of the SLAs with these entities. The audit must answer:

- Are the SLAs aligned with Blue Drop requirements?
- Does BCMM have the contractual right to impose penalties on Amatola Water/ADM for failing to achieve a Blue Drop certification?
- Is BCMM paying for services that are not meeting regulatory standards? If so, Council resolves that the Accounting Officer invoke the penalty clauses or renegotiate the SLAs to protect the Municipality's financial interests.

**Recommendation 4: Risk Mitigation for Future Audits**

Council resolves that the Accounting Officer immediately establish a Blue Drop War Room comprising senior officials from Water Services, Supply Chain, and Finance. This team must:

- Conduct a mock audit within 60 days to verify if the corrective actions are on track.
- Ensure that the next submission to DWS is subjected to a formal, documented quality assurance process signed off by the Head of Department and the Accounting Officer before submission.
- Provide quarterly reports to Council on the progress of the corrective actions, failing which, the Council will invoke Section 106 of the Municipal Finance Management Act, 56 of 2003, to investigate the administrative failures in Water Services.

**Recommendation 5: Public Communication Strategy**

Council resolves that Management ceases the defensive position of claiming "no reputational damage." Instead, the Accounting Officer must develop a public communication strategy that:

- Acknowledges the poor Blue Drop score transparently.
- Clearly explains to residents that while the water remains safe to drink (SANS 241), the administrative systems managing the water are failing, and outlines exactly what is being done to fix those systems.
- Provides residents with a clear timeline for when BCMM expects to regain Blue Drop certification. This will rebuild trust and demonstrate accountability.

**Electricity Services**

## Overall Assessment

The Management Response provides a lengthy technical narrative but fails to directly answer the specific accountability questions posed by MPAC. The response is characterized by:

- **Shifting definitions:** Management re-characterizes the roles to avoid admitting a "dual role" contravention.
- **Admission of error without accountability:** While management concedes it "erred" in contract specifications, it does not name the officials responsible or explain why SCM processes were bypassed.
- **Unanswered direct questions:** MPAC asked specific questions regarding who authorized the deviation, whether the Bid Adjudication Committee (BAC) was involved, and why no performance guarantee was secured. These were either ignored or answered with procedural details that do not address the root cause.

## Specific Gaps:

### Root Cause

Eyabantu appointed as both consultant and contractor (dual role contravening SCM Regulation 44)

### Response

Management argues Eyabantu was not the consultant for the transformers; they were on separate contracts (CE484/485) for protection equipment and testing.

### Analysis

Evasive. The AG's finding was that the same entity played dual roles on the same project. Management's parsing of "transformer supply" vs. "protection equipment installation" does not negate the conflict of interest. MPAC asked who authorized this; management did not answer.

### Root Cause

No performance guarantee or retention fees secured.

### Response

Management admits it "erred" in not specifying milestones and not asking for a performance guarantee.

### Analysis

Partial admission, but no accountability. Management does not name the official responsible for drafting the contract, nor does it explain why standard procurement practice was ignored.

### Root Cause

R 23.5 million irregular expenditure.

**Response**

Management states it "disagrees with the AG's finding" and argues that Eyabantu's appointment was via open tender.

#### **Analysis**

**Defensive**-Disagreeing with the Auditor-General is permissible, but management must provide evidence to support its position. The response does not provide legal or factual evidence to refute the AG's finding; it merely asserts non-contravention.

#### **Root Cause**

No timeline of decisions provided.

#### **Response**

Management requests time to compile a detailed report because the senior project manager is on leave.

#### **Analysis**

**Non-compliance**-MPAC demanded a timeline. Management did not provide it and instead used staff absence as a delaying tactic. This is unacceptable for a committee of oversight.

#### **Root Cause**

R 41 million not capitalized to Work in Progress (WIP).

#### **Response**

Management states transformers were not all completed in 2024/2025; one was completed in June 2025 and the final in December 2025.

#### **Analysis**

**Partial answer**-While this explains why capitalization was delayed, it does not address the root cause of poor project management and lack of milestone tracking that led to the delay.

#### **Financial Risks**

- Irregular Expenditure Disallowance (R23.5 million): The Auditor-General has flagged R 23.5 million as irregular expenditure. If management cannot successfully challenge this finding with evidence (which they have not provided in this response), the expenditure may be disallowed by National Treasury. This could result in:
  - The amount being surcharged against the accounting officer (the Accounting Officer) personally under Section 32 of the Public Audit Act.
  - Non-recognition of the expenditure in the financial statements, leading to a qualified audit opinion or adverse finding in the next audit.

- **No Performance Guarantee = Unsecured Risk:** Management admitted that no performance guarantee was

secured from Actom. For a contract of this magnitude (R 23.5 million+), the absence of a performance guarantee exposes BCMM to:

- Financial loss if Actom fails to deliver or defaults.
  - No recourse for defective workmanship or delays beyond retention (which was also not secured).
- **Delayed Capitalization and Depreciation:** The failure to capitalize the transformers to Work in Progress (WIP) in the correct financial year (2024/2025) distorts the asset register and depreciation calculations. This constitutes a material misstatement in the financial statements, which contributed to the AG's audit findings. Continued non-compliance may result in reduced audit opinions and potential withholding of conditional grants.
  - **Potential Litigation Risk:** If the appointment of Eyabantu is ultimately found to have contravened SCM Regulation 44, BCMM faces the risk of legal challenge from other bidders who were not appointed. This could result in contract cancellation and recovery proceedings, further delaying critical electricity infrastructure.

### Reputational Risks

- **Perception of Corruption or Cronyism:** The appointment of a single entity (Eyabantu) in what appears to be a dual role—whether as "consultant" on one contract and "contractor" on a related contract—creates a strong perception of irregularity, favoritism, or lack of transparency. Even if technically defensible, the optics are damaging to public trust.
- **Defiance of Oversight:** By requesting a delay to compile information because a project manager is on leave, management signals to MPAC and the public that it does not prioritize accountability. This erodes the credibility of senior management and suggests that the administration does not take oversight seriously.
- **Audit Reputation:** BCMM already faces negative audit outcomes. The AG's finding of irregular expenditure on a high-profile infrastructure project will likely be highlighted in the next public audit report, reinforcing the perception that the municipality lacks internal controls. This can lead to increased scrutiny from National Treasury, Provincial Government, and potential donors.
- **Loss of Investor/Stakeholder Confidence:** Large infrastructure projects like transformer installations are critical to economic development. If potential investors perceive that BCMM cannot manage contracts transparently or efficiently, they may avoid investing in the Metro, affecting job creation and service delivery.

### Recommendations to Council

Based on the gaps identified and the evasive nature of the response, Council should adopt the following recommendations:

#### Recommendation 1: Enforce Consequence Management for Contract Non-Compliance

Council resolves that the Accounting Officer be directed to:

- Provide, within 7 days, a sworn affidavit detailing:
  - The name(s) of the official(s) who drafted the contract for Actom (CE337).

- The name(s) of the official(s) who authorized the contract without including a performance guarantee.
  - The name(s) of the official(s) who approved the involvement of Eyabantu in both the design approval (via ED417) and the installation work (via CE484/485) on the same project.
- Explain, in writing, why disciplinary action has not been initiated against the relevant officials for contravening SCM Regulation 44 and standard procurement practice, and provide a timeline for such action.

### **Recommendation 2: Compel a Complete Timeline and Decision-Making Record**

Council rejects the excuse that a project manager's leave prevents the provision of information. Council resolves that:

- The Accounting Officer must table, within 14 days, a complete chronological timeline of every decision related to the ENW 3487 and ENW 3562 projects, including:
  - The date of identification of need.
  - The tender process (including BAC minutes).
  - The approval of contracts CE337, CE484, CE485, and ED417.
  - The dates of all payments made to Actom and Eyabantu.
  - The names of all officials who participated in each decision.
- Failure to comply within the specified timeframe should result in a formal finding of non-cooperation and referral to the Provincial Legislature.

### **Recommendation 3: Verify the Irregular Expenditure Finding with Evidence**

Given that management "disagrees" with the AG's finding of irregular expenditure, MPAC recommends to council to resolve that:

- The Accounting Officer provide, within 30 days, a formal legal opinion (from an external, independent legal firm) confirming that the appointments did not contravene SCM Regulation 44.
- This legal opinion must specifically address whether the involvement of Eyabantu in both the design/verification phase (under ED417) and the installation phase (under CE484/485) constitutes a "dual role" as prohibited by Regulation 44.
- If no such legal opinion exists, Council should resolve that the irregular expenditure be referred to MPAC for further investigation.

### **Recommendation 4: Quantify and Mitigate Financial Exposure**

Council resolves that the Accounting Officer provide a report quantifying:

- The total value of payments made to Actom without a performance guarantee.
- The current warranty and defect liability period for the installed transformers.
- A risk assessment of the potential financial loss to BCMM if Actom defaults on warranty obligations.
- A plan to secure performance guarantees on all future infrastructure contracts of a similar magnitude, with clear sign-off responsibilities.

### **Recommendation 5: Strengthen Oversight on Future Infrastructure Contracts**

Council resolves that the Infrastructure Department be directed to:

- Develop a standardized contract checklist for all major infrastructure projects, which includes mandatory provisions for performance guarantees, milestone payments, and retention fees.
- Ensure that all future contracts are reviewed by the Bid Adjudication Committee (BAC) and Legal Services prior to final approval.
- Provide quarterly progress reports to Council on all contracts exceeding R10 million, including a section on compliance with SCM regulations.

### Conclusion

The Management Response to the Infrastructure enquiry is inadequate. It fails to provide the direct accountability required by MPAC, offers technical arguments to deflect from the core issues, and admits to critical errors (lack of performance guarantee) without naming responsible officials.

The financial exposure to BCMM is significant, and the reputational damage from the perception of irregular procurement is severe. MPAC must exercise its oversight authority forcefully to ensure that consequence management is implemented and that systemic failures in contract management are addressed without further delay.

## 10.10 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE LOCAL ECONOMIC DEVELOPMENT AND AGENCIES

### Overall Assessment

The management responses are, in many cases, descriptive and provide context for the activities undertaken by the department. However, they frequently fall short of directly addressing the specific, often critical, questions posed by the Municipal Public Accounts Committee. The responses tend to justify the status quo rather than provide the requested analysis, action plans, or evidence of accountability.

The core issue is that many responses fail to address the root causes of the identified challenges. Instead, they often describe the symptoms or provide a narrative of activities without linking them to strategic outcomes, clear performance indicators, or mechanisms for oversight and improvement.

The management responses, while detailed in places, demonstrate a reactive, defensive, and often evasive approach to oversight. They consistently fail to address the root causes of the challenges identified by MPAC, opting instead to describe activities, justify existing practices with tradition, or deflect accountability by highlighting the absence of a direct financial loss.

The risks to Buffalo City Municipality are significant and multifaceted, including:

- **Reputational Risk:** Eroding public and political trust.
- **Financial Risk:** Waste of public funds, potential for misappropriation, and inefficient resource allocation.
- **Compliance Risk:** Non-compliance with the MFMA, National Treasury regulations, and reporting standards, leading to potential audit qualifications and sanctions.

- **Strategic Risk:** Inability to effectively plan, execute, and measure progress against its core strategic objectives, leading to policy failure and continued socioeconomic challenges.

For the MPAC, this analysis indicates a need for more rigorous follow-up. The responses provided are largely insufficient. The committee should consider requesting:

- Specific, written action plans to address each root cause identified (e.g., a plan to fix the annual report compilation process, a plan to implement a monitoring system for business support assets).
- Compelled responses that directly answer the questions asked, with a request for a senior official to appear before the committee to explain the dismissive and evasive nature of the current written responses.
- An independent review of the Fresh Produce Market's financial model and operational efficiency, given the gravity of the evasive responses and the high-risk issues identified.

## Analysis

Here is a breakdown of the key issues, the management responses, and the associated risks.

### 1. Statutory Requirements, Vision, Mission, and Strategic Objective (Pages 16-18)

#### Identified Issue/Question:

- Omission of a key performance table (Table 3.11.7) from the Annual Report.
- Request for elaboration on indicators and targets to achieve the strategic objective of an "innovative and productive city."
- Request for Action Plans with clear indicators, targets, funding, and timelines for the stated future actions.

#### Management Response:

- Acknowledges the omission but states the table was submitted later via email and summarizes the achievements of its indicators (e.g., support for SMMEs, tourism, creative industries).
- Lists a wide range of activities (SMME support, skills training, tourism promotion, etc.) and points to various pages in the report as evidence.
- States that the department participates in trade missions, collaborates with partners, and is developing an online portal for business licenses.

#### Addressing Root Cause? NO.

**Root Cause:** The omission of a critical performance table from the annual report points to a potential failure in the quality assurance and compilation process for official statutory documents. The response fails to address why this happened and what controls are being implemented to prevent it from recurring.

**Root Cause (Action Plans):** The MPAC is asking for a fundamental strategic management tool: an action plan that translates high-level objectives into measurable activities. The response merely lists existing activities, not a forward-looking plan with clear timelines and resource allocation. It does not provide the requested "Action Plans with clear indicators, targets, funding and timelines."

#### Risks:

**Reputational Risk and Non-Compliance:** The omission of a mandated table and the failure to provide requested action plans undermines the credibility of the Annual Report and demonstrates non-compliance with the Municipal Finance Management Act (MFMA) and reporting standards. This could lead to qualified audits and negative publicity.

**Strategic Drift:** Without clear action plans and linked indicators, the department's activities may become a collection of uncoordinated projects rather than a coherent strategy to achieve the city's vision. This results in inefficient use of resources and an inability to measure true impact on economic growth and unemployment.

**Loss of MPAC and Council Confidence:** Evasive responses that do not directly answer the committee's questions erode trust between the administration and its oversight structures, leading to strained governance relationships.

## 2. Tourism Recovery Support Programme (Page 302)

### Identified Issue/Question:

- Request for a detailed breakdown of assistance provided to each listed business.
- Questions about monitoring the use and benefit of the assets provided, the frequency of monitoring, and the steps taken if assets are not used optimally.
- Questions about measuring the return on investment (ROI) for the municipality.

### Management Response Summary:

- Provides the monetary value of the assets given to each business (e.g., meat cutting machine, aircons, computer, flight tickets).
- Completely avoids answering the questions about monitoring, frequency of checks, corrective actions, and ROI measurement. The response is essentially a restatement of the expenditure.

### Addressing Root Cause? NO.

- **Root Cause:** The MPAC's questions point to a potential lack of oversight and accountability for public funds. The root cause of this concern is that there might be no system in place to track the outcomes of these handouts. The response confirms this fear by not providing any evidence of a monitoring system.

### Risks to the Municipality:

- **Waste of Public Funds & Misappropriation:** Without proper monitoring, there is a high risk that assets provided to businesses are not used for their intended purpose, are misappropriated, or are not maintained. This constitutes a waste of public funds.
- **Reputational Risk:** If it becomes known that the municipality gives away assets with no follow-up, it damages public trust and encourages a dependency culture rather than sustainable business development. It also creates a risk of political interference in the selection of beneficiaries.
- **Ineffective Programme Delivery:** The goal of the programme is to aid industry recovery. Without monitoring and measuring ROI, the municipality has no way of knowing if the programme was effective. It may be spending money on initiatives that yield no tangible results for the tourism sector.

## 3. Job Creation Reporting (Pages 341-342) and MPAC Comments

### Identified Issue/Question:

- Why were the tables not narrated?

- Why were beneficiaries not categorized by youth, women, and disability?
- Why was the standard comment textbox on "Overall Performance" omitted?

#### **Management Response Summary:**

- For categorisation, it states that information was not captured uniformly from the source and that in the future, it will be captured from "the word go."
- For the omitted textbox, it states that "it does happen that during consolidation some information is erroneously omitted."

#### **Addressing Root Cause? Partially.**

- **Root Cause (Data Capture):** The response identifies the root cause (non-uniform data capture) and commits to a future solution. However, it does not explain why the current process failed or provide details on the new, standardized data capture process being implemented.
- **Root Cause (Omitted Textbox):** The response admits to an error ("erroneously omitted") but fails to address the root cause—a lack of quality control and oversight in the final compilation of the Annual Report. Accepting that "it does happen" is not a sufficient control measure.

#### **Risks to the Municipality:**

- **Unreliable Performance Reporting:** The inability to produce consistent, categorized data makes it impossible to accurately report on and manage performance against key strategic objectives like youth and women empowerment. This leads to flawed planning and an inability to demonstrate the impact of municipal spending.
- **Audit Findings:** Inconsistent and incomplete reporting is a major cause of audit findings. The continued failure to adhere to standard reporting formats and data integrity principles increases the risk of a qualified audit opinion from the Auditor-General.

#### **Recommendations to Council**

##### **1. Demand a Remedial Action Plan for Annual Report Compilation and Quality Assurance**

The omission of a mandated performance table (Table 3.11.7) and the omission of standard commentary (Job Creation section) reveal a critical breakdown in the quality control processes for the Annual Report.

**Council resolves to:** Demand that the Accounting Officer submit a comprehensive remedial action plan within 30 days. This plan must detail:

- The specific individuals responsible for the omissions and errors.
- The revised Standard Operating Procedures (SOPs) for compiling, verifying, and approving the Annual Report to ensure 100% compliance with the Municipal Finance Management Act, 56 of 2003 and all reporting standards.
- The implementation of a mandatory, multi-layered quality assurance checklist that includes verification of all required tables and commentary before submission to MPAC and the Auditor-General.

##### **2. Mandate the Implementation of a Public Asset Monitoring and Return On Investment Framework**

The Tourism Recovery Support Programme highlighted a critical governance gap: the distribution of public assets without any apparent mechanism to monitor their use or measure their return on investment.

**Council resolves to:** Direct the Accounting Officer to develop and implement a mandatory, standardized "Asset Handover and Monitoring Framework" for all economic development and support programmes within 60 days. This framework must include:

- A standardized asset register for all items distributed.
- A requirement for beneficiaries to sign a formal agreement stipulating the terms of use, maintenance responsibilities, and a recovery clause for misappropriated or unused assets.
- A schedule for physical monitoring visits, with the frequency determined by the asset's value.
- A mandatory "Programme Outcome Report" that details the ROI for each initiative, including the number of jobs sustained, revenue generated, or other specific, measurable outcomes tied to the original strategic objective.

### **3. Direct the Implementation of Standardized, Disaggregated Data Collection**

The inability to report on job creation by youth, women, and persons with disabilities, and the failure to provide a demographic breakdown of farmers, represents a systemic failure to monitor transformation and inclusive growth.

**Council resolves to:** Instruct the Accounting Officer to, within 30 days, issue a directive to all departments that all data collection for municipal programmes, grants, and support initiatives must be disaggregated by youth, women, and disability status from the point of inception. A report confirming the implementation of this new, standardized data capture process must be submitted to MPAC at its next meeting.

## **10.11 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON DIRECTORATE HUMAN SETTLEMENT SERVICES**

### **Overall Assessment**

The management responses are largely defensive, evasive, and fail to directly address the root causes identified in the Auditor General's findings and the MPAC's questions. Instead of accepting accountability for internal failures in planning and coordination, the responses shift blames to external stakeholders (NHBRC, provincial department), contractors, and a complex "value chain." This approach poses significant risks to the municipality.

The management responses do not address the root causes. They are characterized by blame-shifting, legalistic evasion, and a lack of accountability. If these responses are accepted without further scrutiny, the Buffalo City Metropolitan Municipality is at high risk of repeating the same mistakes, incurring further financial losses, and deepening its governance crisis. MPAC must insist on direct, quantifiable, and accountable answers, and must hold senior management personally responsible for implementing systemic reforms.

### **Detailed Analysis**

#### **1. Project Delays and Poor Project Planning/Management**

##### **Root Cause**

The AG identifies poor planning and poor project management as the root cause of delays.

**Management Response:**

The response argues that delays were not due to a "lack of co-ordination precisely" but due to a staggered approach, technical design issues with NHBRC, and engagement timelines that "couldn't be time framed."

**Does it address the root cause? No.**

The response does not accept the AG's finding. It attempts to justify the delays by externalizing them.

**Avoidance of Accountability:** The response dismisses the AG's finding of poor coordination as "unfortunate and unfair judgment," demonstrating a refusal to accept the audit outcome.

**Confirmation of the Problem:** Ironically, the response admits to "numerous issues raised by NHBRC with respect to design" and an engagement process that was not time-bound. This confirms a lack of pre-emptive planning and coordination *before* the project commenced, which is the very definition of poor planning.

**2. Lack of Coordination with Other Directorates****Root Cause:**

The AG states that a lack of coordination with other directorates (Water, Roads, etc.) led to delayed NHBRC enrolment and project commencement.

**Management Response:**

The response lists the six developmental stages of a project and claims that "inter-departmental engagement" occurs throughout. It states that service departments approve designs and that "undocumented interdependencies" exist. It also blames NHBRC for inconsistent application of standards (citing a different project where a different rule was applied).

**Does it address the root cause? No.**

The response fails to answer the core question of whether a formal coordination protocol was followed or existed.

**Red Herring:** Listing standard project stages does not prove that effective coordination occurred *in this specific instance*. The question was about a failure of *process*.

**Admission of a Critical Flaw:** The mention of "undocumented interdependencies" is a massive red flag. It confirms that there is no formal, mandatory, and documented coordination protocol. Relying on "undocumented" practices is a recipe for failure, as evidenced by this project.

**Shifting Blame to NHBRC:** Citing the Potsdam Ikwezi project to claim NHBRC is "inconsistent" is an attempt to shift blame to an external regulator. A competent project manager plans for the most stringent regulatory requirement, not the most lenient precedent.

**3. Delayed NHBRC Enrolment**

**Root Cause:**

The AG explicitly states that the delay was due to the municipality's failure to secure basic services before planning, which is a "basic managerial oversight."

**Management Response:**

The response states that the Registered Engineer (Consultant) and Qualified Quantity Surveyor (Project Manager) were responsible for enrolment. It later adds that NHBRC enrolment is required when the contractor is appointed, making it impossible to avoid the procurement process.

**Does it address the root cause?** Partially, but it confirms a systemic problem.

**Accountability Deflection:** The response points to the Consultant and Project Manager as responsible but does not name them or explain why they failed. This deflects accountability away from the senior management who are ultimately responsible for oversight.

**Admission of a Flawed Process:** The statement that NHBRC enrolment happens *after* the contractor is appointed, while admitting this is "not desirable," confirms that the municipality's procurement process is misaligned with regulatory requirements. Instead of changing the process (e.g., a two-stage tender or prequalification), the municipality accepts the risk of delay, which is a direct management failure.

#### 4. Financial Implications and Quantification of Delays

**Root Cause:**

The AG and MPAC ask for a quantification of the delays (how many months, what financial costs) and whether these were due to internal failure.

**Management Response:**

The response attributes the primary delay to the previous contractor's failure and termination in March 2023. It states that "no costs were submitted... due to internal co-ordination failure" and that quantifying delays now would be "difficult" because the project is ongoing. It also notes that the matter with the previous contractor is *sub judice*.

**Does it address the root cause?** No.

This is the most concerning area of evasion.

**Conflating Issues:** The response conflates the delay caused by the *terminated contractor* (a consequence) with the *internal coordination failure* (a root cause). The internal failure (poor planning, lack of design approval) delayed NHBRC enrolment, which delayed the *appointment* of the contractor in the first place. The subsequent contractor failure is a separate issue, but the initial internal delay set the entire project back.

**Failure to Quantify:** The response refuses to separate the delay caused by internal administrative failures from the delay caused by the contractor's failure. By refusing to quantify the initial internal delay, management is shielding itself from accountability for the consequential costs (e.g., inflation, price escalation, community frustration).

**Sub Judice as a Shield:** Using the *sub judice* rule to avoid discussing the terminated contractor is valid, but it should not be used to avoid discussing the *municipality's own* pre-tender failures. These are separate matters.

## 5. Issue: Cambridge West Project (Cost Escalation and Delay)

### Root Cause:

The MPAC questions why the project cost increased by 26% (from R87.6m to R110.8m) and was delayed by four years due to management's failure to oversee the first contractor.

### Management Response:

The response provides a detailed breakdown of the new contract (contingencies, VAT, etc.), states that remedial works are only 2.5% of the new contract, and claims there are no "defective" works, only "incomplete" works. It names a Project Manager (Ms. Xatyiswa Dube) and states that red flags were raised and dealt with, leading to termination.

**Does it address the root cause? No.**

The response is a masterclass in evasion.

**Misleading Cost Breakdown:** The detailed breakdown of the R110.8 million is a distraction. The core question is why the *total project cost* ballooned from the *original* contract sum to the *new* contract sum. The response does not explain this gap.

**Splitting Hairs on "Defective" vs. "Incomplete":** The claim that there are no defects, only incomplete works, is a legalistic dodge. The municipality paid R 14.9 million for 14% completion. The remaining work and the need to "remedy" the incomplete state of the site constitute the cost overrun. The response does not quantify what portion of the new R 110.8 million is simply finishing the original scope of work versus addressing the mess left behind.

**Failing to Address Oversight Failure:** Naming the project manager and stating red flags were raised *does not* answer why the red flags were not raised sooner to prevent the R 14.9 million loss and the massive delay. The oversight failure is not that the contractor was terminated, but that the contract was allowed to get to such a state of failure before action was taken.

### Risks Posed to Buffalo City Municipality (BCM)

If management continues to rely on these responses and fails to address the root causes, the following risks will materialize:

If management continues to rely on these responses and fails to address the root causes, the following risks will materialize:

**Risk Category: Operational Risk Specific Risk**

**Recurrence of Delays:** With no formal, documented coordination protocol in place and a culture of "undocumented interdependencies," future housing projects will repeat the same cycle of delays, NHBRC enrolment failures, and cost overruns.

**Consequence to BCM**

Perpetual under-delivery on the Housing Development Grant (HSDG). Inability to meet annual performance targets. Continued poor audit outcomes from the AG.

**Risk Category:** Financial Risk

**Specific Risk**

**Escalating and Unrecoverable Costs:** By refusing to quantify and isolate the costs of its own internal failures, the municipality is unable to build a case to recover these costs from responsible parties (internal or external). The R23 million cost increase on the Cambridge West project is a direct loss.

**Specific Risk**

- Fiscal strain and wasteful expenditure.
- The municipality will continue to pay more for less, eroding its budget and funds available for other critical services.
- Potential for future fruitless and wasteful expenditure findings by the AG.

**Risk Category:** Reputational Risk

**Specific Risk**

**Loss of Community and Stakeholder Trust:** The evasive responses to MPAC, a legitimate oversight body, signal a lack of transparency and accountability. For vulnerable communities (like the CNIP victims), the four-year delay and unclear answers create deep mistrust and anger.

**Specific Risk**

**Erosion of public confidence in the municipality.** Increased risk of community protests, which disrupt services and damage property. Strained relationship with the Provincial Department of Human Settlements and NHBRC.

**Risk Category:** Governance Risk

**Specific Risk**

**Breakdown of Oversight:** MPAC is the municipality's internal watchdog. By providing non-answers and deflecting blame, management is undermining MPAC's ability to perform its oversight function.

### Specific Risk

- A weakened system of internal accountability.
- This paves the way for more serious governance failures and potential maladministration, as there is no effective check on executive management.

**Risk Category:** Legal and Compliance Risk

### Specific Risk

**Legal Challenges:** The refusal to quantify delays and provide a clear accounting of events makes the municipality vulnerable to legal challenges. Contractors may lodge claims for which the municipality has no clear defense. Furthermore, the lack of accountability for the R14.9 million loss on the Express Builders contract is a significant legal risk.

### Consequence to BCM

Adverse court rulings against the municipality. Potential for SIU investigations if the loss is seen as negligence. Potential for individual officials to face disciplinary action or criminal charges.

### Recommendations to Council

#### 1. Formal Rejection of Management's Responses

- Council should formally note and reject the management responses as inadequate and non-compliant with the principles of accountability and transparency.
- The responses do not address the root causes identified by the Auditor General. Instead, they deflect responsibility to external stakeholders, rely on "undocumented" processes, and conflate separate issues to avoid quantification of internal failures.
- Accepting these responses would constitute a failure of oversight by Council.

#### 2. Demand Direct, Quantified, and Accountable Answers

- Council should refer the matter back to the relevant administration (Office of the Accounting Officer, Human Settlements Directorate) with a strict directive to provide within 30 days, a supplementary, sworn response that addresses the following specific points:
  - **Quantification of Internal Delays:** A clear breakdown of the timeline showing the delay caused by the municipality's own internal coordination failures (e.g., securing basic services, design approvals, NHBRC enrolment) *separate from* delays caused by contractor failure.
  - **Financial Reconciliation for Cambridge West:** A full accounting of the cost escalation from the original R 87.6 million to the new R110.8 million, detailing exactly what portion of the new contract covers (a) the original scope of work, (b) remedial work, and (c) price escalation due to delays. A report on the R14.9 million paid to the previous contractor, including whether any fruitless and wasteful expenditure has been declared and what steps are being taken to recover losses.
  - **Formal Coordination Protocol:** A copy of the formal, documented inter-directorate coordination protocol for human settlement projects. If none exists, a clear timeline for its development and implementation must be provided.

- **NHBRC Enrolment Process:** A concrete plan to align the municipality's procurement process with NHBRC enrolment requirements, eliminating the current "not desirable" practice of enrolling after contractor appointment.

#### 4. Adopt a Systemic Reform Mandate

- Council should adopt a resolution that formally acknowledges the systemic failures and mandates the Accounting Officer to implement structural reforms within 90 days.
- The resolution should require the Accounting Officer to certify that the following actions are complete:
- A formal, documented Project Coordination Protocol is adopted, and its implementation is mandatory for all capital projects.
- A revised Human Settlements Project Management Framework is adopted, ensuring that NHBRC enrolment and service department approvals are completed *before* tender processes are finalized.
- A clear delegation of authority and accountability for each stage of the project lifecycle is established and communicated to all relevant staff.

#### 5. Communicate Action to Stakeholders

- Council should authorize the Accounting Officer to communicate the outcome of these proceedings to key oversight and audit bodies to demonstrate the municipality's commitment to accountability.
- This includes formally notifying the Auditor General, the Provincial Department of Human Settlements, and the National Home Builders Registration Council (NHBRC) of:
  - The rejection of the initial management responses.
  - The initiation of any formal investigations.
  - The commitment to implement systemic reforms.

### 10.12 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FINDINGS ON BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY

While the management responses provide a comprehensive narrative of events and governance structures, they only partially address the root causes of the identified issues. The responses effectively describe the symptoms and context (e.g., acting CFO, flat structure, misinterpretation) but fall short of providing the specific, actionable accountability and corrective measures demanded by the MPAC questions. This creates significant risks for the BCMM, including recurring audit findings, legal non-compliance, and reputational damage.

#### Root Causes

- A material misstatement (R1.8 million) in the Net Cash Flows from Operating Activities.
- An Auditor-General finding that effective internal controls could have been prevented or detected this error.
- A subsequent breach of Section 122(1) of the Municipal Finance Management Act, 56 of 2003, which requires accurate financial statements.

## Management's responses

- The response names the Junior Accountant (preparation) and the Acting Finance Manager (preparation and management). It states the CFO (oversight) and the Accounting Officer (AO) (ultimate responsibility) reviewed it.
- The response distinguishes between the design of controls (which were present) and their operating effectiveness (which failed). It details that the cash flow statement was prepared and reviewed, but the review lacked the depth to catch a "misinterpretation" of GRAP standards.
- The response states the cash flow statement was not in Internal Audit's scope because it was classified as "low risk" based on prior-year outcomes.
- This was a risk assessment limitation.
- The response states the failure was due to "process and review control failures, rather than fraud," and that any disciplinary action will be informed by performance assessments. It mentions an "enhanced supervisory accountability" framework.

## Analysis

- Partially Addressed-The response identifies roles but does not answer the direct question of "who specifically" and provides a shifting justification (acting CFO, flat structure, AGSA's own competence). The AO accepts "full responsibility," but this is a political/legal statement, not an operational one.
- The lack of specific accountability for the review failure (why the CFO and AO missed it) is a significant gap. Adequately Addressed. This is the strongest part of the response.
- It correctly identifies the root cause as a failure in the operating effectiveness of the review control, rather than the absence of a control.
- Adequately Addressed. The response is candid about this oversight. It acknowledges that the risk assessment was flawed and that this area will be included in future audits.
- This is a constructive admission. Inadequately Addressed.
- This is the most critical failure in the response. MPAC asked for specific disciplinary steps.
- The response provides a legalistic justification for why no action has been taken yet. The assurance that consequences will follow "in accordance with labour law" is vague and does not meet the immediate need for accountability for a material error and a breach of law.

## Risks to Buffalo City Municipality

### Risk Category

Audit and Compliance Risk (Recurrence)

### Specific Risk

The failure to assign specific accountability for the review control failure means the same "misinterpretation" or a similar error could occur again. The "strengthened controls" described are still reliant on the same individuals (CFO, AO) who failed to detect the error the first time.

### Consequence

**Recurring material findings from AGSA**-This could lead to a worsened audit opinion (e.g., qualified or adverse) in the next cycle, which would severely impact the BCMM's credibility and ability to secure funding.

**Risk Category**

Governance and Consequence Management Risk

**Specific Risk**

The lack of transparent, specific disciplinary action creates a culture of impunity. It signals that material financial errors and non-compliance with the MFMA do not have meaningful consequences for senior management.

**Consequence**

**Erosion of MPAC and Council oversight**-It undermines the authority of the MPAC. It also exposes the BCMM to potential legal action for failing to uphold its fiduciary duties as outlined in the MFMA.

**Risk Category**

Governance and Consequence Management Risk

**Specific Risk**

The lack of transparent, specific disciplinary action creates a culture of impunity. It signals that material financial errors and non-compliance with the MFMA do not have meaningful consequences for senior management.

**Consequence**

**Erosion of MPAC and Council oversight**-It undermines the authority of the MPAC. It also exposes the BCMM to potential legal action for failing to uphold its fiduciary duties as outlined in the MFMA.

**Risk Category**

Reputational Risk

**Specific Risk**

Public trust is contingent on accountability. A response that appears to protect senior management by blaming an "acting CFO" and a "junior accountant" while accepting only abstract "full responsibility" is likely to be viewed negatively by the public and oversight bodies like the Provincial Treasury.

**Consequence**

Loss of public confidence in the BCMM's ability to manage public funds. This can also strain relationships with national government departments that provide grants.

**Risk Category**

Strategic and Operational Risk

**Specific Risk**

The report acknowledges the Agency is "largely grant dependent." If audit findings persist due to these control failures, there is a real risk of grant funding being withheld or conditions being imposed, jeopardizing the delivery of the six flagship projects (e.g., the Beachfront, Victoria Grounds) that are central to the city's economic development strategy.

**Consequence**

Stalled infrastructure projects and economic development. The "white elephant" risk for projects like the Beachfront becomes a tangible possibility if funding is compromised or if the Agency is placed under administration.

**Risk Category**

Capacity and Skills Risk

**Specific Risk**

The response highlights that the Agency prepares AFS "in-house" and does not use consultants. While costeffective, this failed in this instance. The plan for "additional training" is vague. Without a concrete capacitybuilding plan, the Agency remains vulnerable to the same "competence" questions raised by the AGSA.

**Consequence**

Recurring skills gap. The financial reporting function may remain perpetually under-capacitated, making it vulnerable to future errors and over-reliance on a few individuals, creating a single point of failure.

**Recommendations to Council**

The management responses provide a detailed account of the events but fall short of the full accountability required by MPAC. The core risks are not that an error occurred, but that the responses do not provide sufficient assurance that it will not recur, nor do they demonstrate that those responsible have been held accountable.

To mitigate these risks, Council should:

1. **Demand Specific Disciplinary Action:** Request a written report on the exact status of the disciplinary process. The response that it will be "informed by performance assessments" is insufficient. Council should ask for the outcome of those assessments and any actions taken.
2. **Clarify the Role of the CFO:** Request a clear timeline of who held the CFO position during the preparation and review of the 2024/2025 AFS. If the Acting CFO was responsible for the review, Council must understand why the permanent CFO (who took over after) is not facing consequences for the failure in their oversight role.
3. **Require a Specific Training Plan:** Instead of a vague commitment to training, Council should demand a copy of the training curriculum, the names of attendees, and a competency assessment plan to ensure the finance team now has the required skills.

4. **Formally Note the Audit Committee's Response:** The Board Chairperson's response (page 7) that the Board has "full confidence" in the management team appears to conflict with the gravity of the findings. Council should formally question the Board on how this conclusion was reached and what specific conditions it has placed on management to maintain this confidence.

## 11 COUNCILLORS AND WARD COMMITTEE INPUTS

None

## 12 PUBLIC AND INTERESTED PARTIES COMMENTS ON THE ANNUAL REPORT

The Municipal Public Accounts Committee considered the requirements of Section 127(5) of the Municipal Finance Management Act, 56 of 2003, and conformed:

- i) That the annual report was made public and submitted to relevant authorities as required. ii) Written comments were submitted by stakeholders and community members during public hearing sessions.

The following written submissions were received and analysed:

### Analysis of ATM Submission Regarding Governance, Financial Misconduct, and Service Delivery Failures

#### 1. Overall Assessment

The ATM submission presents a comprehensive and serious indictment of the current administration of BCMM. It moves beyond isolated complaints and alleges a systemic collapse of governance, characterized by:

- Repeated Auditor-General qualifications and escalating irregular expenditure.
- A culture of impunity with no consequence management.
- Collapse of basic service delivery (particularly water), leading to community unrest.
- Allegations of corrupt syndicates profiting from water tanker operations.
- Political instability, eleventh-hour reshuffling of oversight MMCs, and deliberate evasion of accountability.
- Failure of the Buffalo City Metropolitan Development Agency (BCMDA) and abandonment of key projects.
- Loss of public trust and legitimacy.

While the submission is political in nature, the factual assertions (AG findings, irregular expenditure, community protests, stalled projects) are verifiable and demand a rigorous response from MPAC as the oversight structure responsible for holding the executive accountable.

#### 2. Key Findings from the Submission

**Audit Outcomes:** Repeat qualified audit opinion; huge amount of irregular expenditure; no consequence management for financial misconduct.

**Financial Management:** Escalating irregular, fruitless, and wasteful expenditure; public funds misused without accountability.

**Service Delivery:** Persistent water shortages; communities “taking to the streets”; alleged corrupt syndicate in water tanker operations; reliance on outsourced tankers instead of sustainable infrastructure.

**Leadership Stability:** Late reshuffling of MMCs (including oversight portfolios) before public hearings; reversal of decisions under pressure; internal factional battles and motions of no confidence.

**Corruption and Accountability:** Over 23 officials implicated in fraud and maladministration; withheld investigative reports; deliberate delays in disciplinary processes.

**Development Agency:** BCMDA failure to deliver on Water World project and other initiatives; millions spent with no tangible returns; no job creation or economic upliftment.

### 3. Risks to the Municipality

If the allegations in the ATM submission are accurate (or even partially accurate), the municipality faces existential risks:

- **Constitutional and Legal:** Violation of Section 152 (local government objects) and Section 195 (public administration principles). Continued failure could lead to provincial intervention under Section 139 of the Constitution.
- **Financial Sustainability:** Persistent irregular expenditure and fruitless spending undermine the municipal budget, increase audit qualifications, and may lead to withholding of equitable share or conditional grants by National Treasury.
- **Service Delivery and Health:** Water shortages and sewer management failures (as also raised in the Charlot Barnes submission) pose direct health and environmental risks, potentially resulting in legal action by residents or the national Department of Water and Sanitation.
- **Reputational and Investor Confidence:** The narrative of a “collapsed municipality” deters investment, undermines economic development, and harms BCMM’s ability to attract partnerships.
- **Political and Governance:** Instability, motions of no confidence, and loss of public trust increase the risk of a complete breakdown in council functionality, leading to administrative paralysis.

### 4. Recommendations to Council

MPAC is the statutory oversight committee mandated to examine the financial and performance reports of the municipality. To address the serious concerns raised in the ATM submission, MPAC should take the following actions and recommend accordingly to Council:

#### A. Urgent Inquiry into Consequence Management

- **Instruct** the Accounting Officer to provide a detailed report to Council within 30 days listing:
  - All irregular, fruitless, and wasteful expenditure incurred in the 2023/2024 and 2024/2025 financial years.
  - The status of all disciplinary cases against officials implicated in financial misconduct (specifically the “over 23 officials” referenced).
  - Reasons for delays in finalising disciplinary processes, and a timeline for their conclusion.

#### B. Forensic Investigation into Water Tanker Contracts

Given the serious allegation of a “syndicate of water tankers” profiteering from the water crisis, MPAC should:

- Recommend that Council authorise a forensic investigation into the procurement, management, and payments related to all outsourced water tanker services over the past three financial years.
- Refer any evidence of corruption to the Financial Disciplinary Board for criminal investigation.

### **C. Review of the Buffalo City Metropolitan Development Agency (BCMDA)**

- Council should instruct the Chief Audit Executive to perform a performance audit of the BCMDA, focusing on:
  - The status and expenditure of the Water World project.
  - Other stalled or abandoned infrastructure/economic projects.
  - Compliance with the agency's mandate and oversight framework.
- The findings should be presented to Council with recommendations on restructuring or disestablishment if the agency is deemed non-performing.

### **D. Public Engagement and Reporting**

To restore public trust, Council should:

- Schedule a special public hearing dedicated to the service delivery crisis (water, sanitation, and infrastructure) within 30 days, inviting community representatives, ward councillors, and the relevant MMCs.
- Publish quarterly progress reports on the implementation of MPAC recommendations, including responses from the administration.

### **5. Conclusion**

The ATM submission echoes concern that have been raised by multiple stakeholders, including the Auditor-General, community organisations, and individual residents (e.g., the Charlot Barnes submission). The allegations of financial mismanagement, corruption, and service delivery collapse cannot be dismissed as mere political opposition. Council has both the authority and the duty to investigate these matters and enforce accountability.

The Municipal Public Accounts Committee is encouraged by the increase in the number of written submissions and meaningful participation by communities and relevant stakeholders on the annual report from the public and interested parties.

The committee implore council to intensify their efforts to ensure that public has access to relevant council information and intensify civic education and public participation.

## 13 PROJECT SITE INSPECTION REPORTS

### Overall Assessment

The Municipal Public Accounts Committee site visits revealed a systemic failure in wastewater infrastructure management, characterized by:

- aging assets, repeated vandalism
- stalled projects
- unacceptable environmental harm.

While the Department of Water and Sanitation has developed action plans, immediate and decisive intervention by Council is required to secure funding, enforce security measures, accelerate procurement, and ensure accountability. Municipal Public Accounts Committee will exercise its oversight role rigorously to monitor the implementation of these recommendations and to support the municipality in restoring lawful, sustainable wastewater treatment operations.

This report presents a consolidated analysis of the findings, associated risks, and actionable recommendations arising from the Municipal Public Accounts Committee site visits conducted on 26 February 2026 at the Zwelitsha, and Schornville Wastewater Treatment Works. The visits were undertaken in response to Material Irregularities issued by the Auditor-General following the 2024/2025 regulatory audit, citing environmental noncompliance, expired water use licenses, and discharge of untreated sewage into the Buffalo River. And Beacon Bay site visit was as a result of a break-in that happened on 22 February 2026. The analysis is structured per key thematic issue, drawing from observations made during the walkabouts and technical briefings provided by the Acting Head of Water and Sanitation and his representative.

The attendees were constituted by the Committee Members lead by the Chairperson, the Ward Councillors and Ward Committee members of the Wards where the WWTW plants are situated and the community they serve, a representative from COGTA RMO, MPAC support staff as well as the Acting Head for BCMM Department of Water and Sanitation, Mr M. Nongogo, together with some WWTW officials who took the members on a walk-about on the three treatment plants where he presented the background of the plants which entailed when they were constructed/developed, became operational. The Acting HOD further outlined the state of the treatment plants from the non-compliance in licensing challenges, refurbishments that the municipality had done (Zwelitsha), the theft of infrastructure (in the main cables) and machinery, the vandalism scourge at all three plants, and other challenges the department experiences for efficiency.

### Overarching Findings

The site visits confirmed the Auditor-General's findings. Key cross-cutting observations include:

- **Severe Infrastructure Decay:** All three plants exhibit critical operational failure, with untreated effluent discharging into the Buffalo River.
- **Pervasive Vandalism and Theft:** Recurring theft of cables, motors, and control panels, compounded by inadequate security infrastructure, has rendered multi-million-rand capital investments non-operational.
- **Expired Licenses:** Twelve of fifteen Wastewater Treatment Works operate with expired water use licenses, exposing the municipality to legal and regulatory sanctions.
- **Delayed Projects:** The completion of critical upgrades (e.g., the new 17.5 Ml/d Zwelitsha plant) has been stalled since 2021 due to contractor disputes, litigation, and subsequent vandalism.

- **Environmental and Public Health Harm:** Direct discharge of untreated sewage into the Buffalo River poses immediate risks to communities, livestock, and downstream water users.

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## Detailed Findings and Risks

### 1. Zwelitsha Wastewater Treatment Works

#### Findings:

- Old trickling filter plant (9 MI/d) is in deteriorated condition; new 17.5 MI/d activated sludge plant remains incomplete.
- Commissioning was originally scheduled for December 2021 but halted by contractor abandonment and litigation.
- Vandalism during idle periods (December 2021–January 2022) caused extensive damage to electrical, mechanical, and control systems.
- Revised tender documentation for completion was delayed by supply chain management procedural requirements; now scheduled for Bid Specification Committee in February 2026 as Council has approved a budget to ensure service delivery in this regard.
- SCM to fast-track processes and ensure that processes are compliant and the best contractor to deliver the service is appointed • 12 months project will be expedited for completion in 9 months.
- Three pump stations (Yellowwoods, Phakamisa North/South) suffer from vandalism, silt accumulation, and security failures.
- Security funds that were imbedded into the contractor's services included security, however there has not been any security since the contractor left site to date.
- Critical outfall sewer bridge replaced, but overall network remains vulnerable to blockages and corrosion. • Service delivery impact – Human Settlement project
- Economic impact – B&B that could not be rezoned, Hospital that could not be built due to capacity
- Litigations that may arise

#### Risks:

- Continued non-compliance with water licenses and environmental laws.
- Further environmental degradation of Buffalo River and Laing Dam.
- Escalation of project costs due to repeated security breaches and procurement delays.
- Loss of public trust and potential for regulatory fines or legal action.
- Litigation

### 2. Schornville Wastewater Treatment Works

#### Findings:

- Plant is non-operational; personnel withdrawn due to safety risks.
- Extensive vandalism has stripped roofing, cabling, doors, and mechanical equipment.
- No effective treatment occurs; raw sewage discharges directly into the Buffalo River.
- The Buffalo River Outfall Sewer requires a technical assessment to confirm structural integrity and capacity.
- Program in place to divert Schornville wastewater to Zwelitsha while WWTW is being rehabilitated

**Risks:**

- Danger to public health and aquatic ecosystems.
- Heightened legal exposure under the National Environmental Management Act and Water Act.
- Reputational damage to Council and potential intervention by provincial or national government.

**3. Beacon Bay Wastewater Treatment Works****Findings:**

- Failure to protect assets: Municipality continues to lose assets that are already there as they are not being protected.
- Security failures: Security management not in place, no physical security or cameras operational, despite the response by HOD Public Safety indicating that there were cameras
- Health dangers: Danger to public health and aquatic ecosystems.

**Risks:**

- Danger to public health and aquatic ecosystems.
- Heightened legal exposure under the National Environmental Management Act and Water Act.
- Reputational damage to Council and potential intervention by provincial or national government.

**Strategic Recommendations**

Beyond site-specific interventions, the following cross-cutting recommendations are submitted for Council's consideration:

**Adopt a Consolidated Performance Improvement Action Plan (PIAP):**

Council should formally endorse the PIAP being developed under the National Treasury Trading Services Reforms, ensuring it integrates all three Wastewater Treatment Works and includes clear milestones, budget allocations, and accountability mechanisms.

**Strengthen Contract Management:**

Review and strengthen contract management capacity to prevent recurrence of contractor abandonment, disputes, and litigation that delay critical infrastructure projects.

**Enhance Supply Chain Efficiency:**

Address procedural bottlenecks in the Supply Chain Management Unit that delayed the Zwelitsha tender documentation for several months. Consider delegating authority to expedite emergency repairs and security upgrades.

**Establish a Multi-Disciplinary Security Task Team:**

Form a task team comprising Water and Sanitation, Security and Protection Services, and SAPS to develop a standardized security protocol for all Wastewater Treatment Works and pump stations, with a focus on asset hardening and rapid response.

**Regular Oversight by Municipal Public Accounts Committee:**

Municipal Public Accounts Committee shall schedule quarterly progress reviews of the Action Plans for each Wastewater Treatment Work, with the Accounting Officer required to submit written reports on implementation, expenditure, and compliance status.

**Recommendations to Council:**

- **Expedite Procurement:** Direct the Accounting Officer to fast-track the remaining supply chain management processes for the four work packages (civil, mechanical, electrical, control and instrumentation) and report monthly on progress.
- **Strengthen Security:** Approve the installation of live CCTV, perimeter hardening, and 24-hour security at Zwelitsha as a condition of the new contract.
- **Security Overhaul:** Approve replacement of perimeter fencing with a robust barrier (including electric fencing), installation of solar high-mast lighting, building-level alarms (gas pepper spray), and 24-hour guarding.
- **Insurance:** Instruct the Accounting Officer to look into the best insurance offering to cover key municipal infrastructure in the event of unforeseen eventualities.
- **Security Management:** The role and responsibilities for the Security Management Unit should be clarified to ensure that correct measures are put in place for the safe keeping of municipal assets, especially the immovable.
- **Protect Pump Stations:** Authorize security upgrades at Yellowwoods Pump Station before installing new pumps; allocate funding for silt traps at Phakamisa stations.
- **Oversight Monitoring:** Require the Department of Water and Sanitation to submit a bi-monthly implementation dashboard for the Action Plan to Council.
- **Emergency Remedial Action:** Approve the immediate implementation of interim measures (e.g., containment, security fencing) as outlined in the departmental Action Plan.
- **Technical Assessment:** Progress on the implementation of strategy adopted by Council to be presented to Council quarterly.
- **Procurement for Rehabilitation:** Instruct the Accounting Officer to initiate a dedicated procurement process for the permanent rehabilitation of Schornville, incorporating robust security specifications
- **Pump Station Resilience:** Reinstate the underground power cable from the standby generator; construct silt traps upstream of the pump station to reduce blockages.
- **Network Integrity:** Authorize a program to replace stolen manhole covers with theft-resistant alternatives, reconstruct access roads, and implement mechanical dredging of outfall sewers.
- **Technical Investigation:** Direct the Department to urgently complete the investigation into groundwater ingress at the MCC building and implement corrective measures

## 14 MUNICIPAL ACCOUNTS COMMITTEE OBSERVATIONS

The Municipal Public Accounts Committee has conducted a thorough review of the management responses provided across all directorates. The overarching observation is that the responses are predominantly reactive, defensive, and evasive, rather than demonstrating the accountability, root cause analysis, and strategic planning required to address the municipality's systemic failures.

While some directorates provided detailed factual information, the responses consistently failed to address the fundamental questions posed by Municipal Public Accounts Committee: who is responsible, why did failures occur, what specific actions will be taken, by when, and with what consequences for non-performance?

### Patterns Across All Directorates

#### 1. Deflection of Accountability

- Responses routinely shift blame to external stakeholders (NHBC, Provincial Government, DWS, contractors)
- Internal accountability is avoided through vague references to "line departments" or "user departments" • Senior management positions are mentioned only to accept "full responsibility" without specifying consequences

#### 2. Description Over Analysis

- Responses describe activities and processes rather than analysing root causes
- Lists of what was done substitute for explanations of why failures occurred
- Historical context is provided to justify current failures rather than to inform corrective action

#### 3. Absence of Consequence Management

- Despite R 409.3 million in irregular expenditure and R646.82 million in unauthorised expenditure, no specific officials have been identified for disciplinary action
- Responses refer to "pending investigations" or "policies awaiting approval" as reasons for inaction
- The culture of impunity identified in previous oversight cycles remains unaddressed

#### 4. Vague Commitments Without Timelines

- Actions are described as "being addressed" or "under review" without binding deadlines
- Future plans (e.g., ICT strategy implementation, retention policy by December 2026) lack interim measures
- No mechanism for MPAC to track implementation progress is offered

#### 5. Legalistic and Technical Evasions

- Responses rely on technical distinctions (e.g., "incomplete" vs. "defective" works, "interpretation" of GRAP standards) to avoid substantive accountability
- The "sub judice" rule is invoked to avoid discussing matters that could still be addressed internally
- Auditor-General findings are disputed rather than addressed

## 14.1 Directorate-Specific Observations

### 14.1.1 Accountability Ecosystem (Executive Mayor, Speaker, Accounting Officer)

#### Executive Mayor's Absence From Engagement Session

Municipal Public Accounts Committee observes with grave concern that the Executive Mayor did not attend the engagement session despite having submitted written responses.

#### Impact on Oversight

**Loss of Direct Accountability:** Oversight requires direct engagement where political leadership can be questioned on responses, challenged on inconsistencies, and compelled to provide oral commitments. Written submissions alone do not fulfil the accountability obligation.

**Inability to Probe Responses:** The Executive Mayor's responses contained several problematic elements— particularly the characterization of R 646.82 million in unauthorised expenditure as a "technical" issue—that required in-person scrutiny. Without the Executive Mayor's presence, Municipal Public Accounts Committee could not test the veracity or completeness of these responses.

**Contradiction with Constitutional Principles:** Section 152 of the Constitution requires municipalities to provide "democratic and accountable government." The Executive Mayor's absence from a duly constituted oversight engagement undermines this constitutional imperative.

#### Municipal Public Accounts Committee's Position

The management responses across all directorates demonstrate a systemic failure of accountability. While some responses provide detailed factual information, they consistently fail to:

- Identify specific officials responsible for failures
- Explain why prior corrective actions failed
- Provide binding, time-bound implementation plans
- Describe interim measures to mitigate risks
- Acknowledge the severity of the municipality's governance crisis
- The absence of consequence management remains the single greatest obstacle to improvement. The R409.3 million in irregular expenditure, R646.82 million in unauthorised expenditure, and repeated audit findings continue because there are no meaningful repercussions for non-performance.

The Executive Mayor's failure to attend the engagement session compounds these concerns. It signals that the political leadership does not prioritize accountability to Municipal Public Accounts Committee, undermining the committee's constitutional and statutory mandate. MPAC will exercise its oversight authority to ensure that the instructions contained in the Council Resolution are implemented with urgency and that those responsible for systemic failures are held to account.

## Summary of Observations

### 14.1.1 Executive Mayor

Responses demonstrated a significant disconnect between the severity of issues and the adequacy of accountability. The Executive Mayor's responses were procedural, technically evasive, and deferred responsibility to unnamed "processes" or "committees." No specific examples of consequence management were provided despite direct questioning.

### 14.1.2 Speaker

Acknowledged administrative failures but characterized them as "administrative" rather than "political" oversights, deflecting responsibility. Failed to provide legal authority for the acting Audit Committee Chair or a protocol to prevent future communication breakdowns. Failure to adhere to MSA s21A and s21B, conducting public participation and civic education, however the Speaker has made a commitment to improve on these deficiencies.

### 14.1.3 Accounting Officer

Demonstrated awareness of technical flaws but provided generic, process-oriented solutions that did not address human and cultural root causes. Responses risk being interpreted as "box-ticking" exercises that treat symptoms rather than curing systemic dysfunction.

## Material Irregularities

No response provided for the Nahoon bulk outflow sewer pipeline, indicating a lack of urgency in resolving serious environmental and infrastructure matters.

### 14.1.4 Public Safety and Emergency Services

#### Security Risk Assessment

Responses acknowledged the 2019 G-TAC study lay dormant for years but provided no explanation for the delay or accountability for inaction. The "cost-benefit" justification for private security does not replace the legal requirement for a strategic, risk-based security plan.

#### Stalled Projects

Responses described delays in the Parking Management System and Law Enforcement Building refurbishment but failed to identify responsible officials or provide enforceable timelines for completion.

#### Credit Card Transactions

Initially caused alarm regarding 12,291 credit card transactions; the clarification that these were "credit card licences" for vehicles was critical but should have been provided earlier to avoid the appearance of financial impropriety.

### **14.1.5 Solid Waste and Environmental Management**

#### **Under-Reporting**

Responses listed departmental activities but completely avoided answering why reporting was insufficient. Failed to identify whether under-reporting is due to lack of data collection systems, staff capacity, or management oversight.

#### **Fleet Management Crisis**

Blamed the "Fleet and Mechanical Workshop" for not meeting repair demands but offered no plan to address this core issue. Normalized the "perpetual" hiring of fleet with staff without addressing financial unsustainability. King William's Town Landfill Acknowledged weaknesses but provided no timeline, budget, or specific action plan for addressing NEMA compliance failures. The risk of site closure by national authorities remains unmitigated.

#### **Capital Expenditure**

No response provided for questions on non-spending of capital budgets—a complete failure to respond that constitutes a serious oversight breach.

### **14.1.6 Sports, Recreation and Community Development**

#### **Libraries**

Confirmed the R 27 million shortfall but offered no strategy, stating "no hope of receiving outstanding payments." Failed to answer which municipal services are being defunded to cover the gap.

#### **Cemeteries and Crematoriums**

No response provided—the columns for management responses were left blank, representing a fundamental failure in the Municipal Public Accounts Committee process.

#### **Mdantsane Pool**

Confirmed the contract was terminated but did not explain why the contract failed, what financial loss was incurred, or who is accountable.

#### **Monitoring of Assets**

The Tourism Recovery Support Programme response provided the monetary value of assets given but completely avoided questions about monitoring, frequency of checks, corrective actions, and ROI measurement.

### **14.1.6 Corporate Services**

#### **Organisational Structure**

Admitted the 2019 structure remains in use despite 2021 regulations but failed to explain why no action was taken for two years. Attributed delays to "Trading Services" without explaining the preceding two-year inaction.

#### **Staff Retention Policy**

Initially tried to deflect by claiming existing policies suffice, then conceded to developing a policy by December 2026—an excessive timeline given the risk. Failed to describe interim measures currently in place.

#### **Official Transport to Funerals**

Focused on whose responsibility it was rather than solving the core problem. Did not answer who is responsible for the delay or provide a timeline for completion.

#### **Supervisor Sick Leave**

Fundamentally dismissed the root cause by stating absenteeism management is a "line function," disclaiming responsibility for the failure of that line function. Claimed this is "not a repeat finding" on a technicality.

### **14.1.7 Spatial Planning and Development**

#### **Annual Report Omission**

No response provided for the omission of the required introductory overview—a failure in reporting and quality assurance.

#### **IUDF Implementation**

No response provided for the request for a progress report on the "Compact City" implementation.

#### **Municipal Planning Tribunal**

No response provided on whether the MPT is functional, implying potential dysfunction that paralyzes land development.

#### **Tyutyu Project**

Provided an excellent chronological account but ended with "to date BCMM has not received any further correspondence"—a statement of no progress, not a plan to resolve the impasse.

### **14.1.8 Finance Services**

#### **Asset Management**

Defended consultant spending but admitted "user Departments did not adhere to set deadlines." The root cause of poor project management and documentation by line departments remains unaddressed.

#### **Irregular Expenditure**

Focused on process (automation) and investigation of historical amounts. Failed to answer who is accountable or what consequence management has been taken against officials who authorized unlawful deviations.

### **Debt Collection**

Provided detailed responses but revealed the Revenue Protection Unit is at 32% staff capacity—the root cause of inability to curb theft and tampering. The plan to address this is a future plan, not a current solution.

### **14.1.9 Infrastructure Services**

#### **Wastewater Treatment**

Responses described the status of plants and challenges but failed to offer a concrete, time-bound plan for resolution. The excuse that license renewal was halted due to an expired contract points to fundamental supply chain management failure.

#### **High Electricity Losses**

No response provided regarding 32% losses far above the norm.

#### **Free Basic Electricity**

No response provided on why the national standard of 50 units is not being met.

#### **Fleet Management**

Responses conflated "future plans" with "answers to accountability questions." Shifted responsibility to Directorates for ringfencing budgets without addressing the core issue of fleet availability.

#### **Water Services (Blue Drop)**

Completely ignored questions about who reviewed the data, who verified it, and why discrepancies were not flagged. Dismissed reputational damage as "misinterpretation," demonstrating a lack of accountability.

### **14.1.10 Economic Development and Agencies**

Action Plans Merely listed existing activities rather than providing the requested forward-looking plans with clear timelines and resource allocation.

#### **Tourism Support Monitoring**

Provided the monetary value of assets given but completely avoided questions about monitoring, frequency of checks, and ROI measurement—confirming there may be no system to track outcomes.

#### **Job Creation Reporting**

Admitted to non-uniform data capture but did not explain why the current process failed or provide details on the new, standardized process.

### **14.1.11 Human Settlement Services**

**Project Delays**

- Did not accept the AG's finding of poor planning. Attempted to justify delays by externalizing them to NHBC and contractors.
- Coordination Failures Mentioned "undocumented interdependencies"—a massive red flag confirming no formal, mandatory coordination protocol exists.

**Cambridge West Project**

Provided a detailed breakdown of the new contract but did not explain why the total project cost ballooned from the original sum. Split hairs on "defective" vs. "incomplete" works to avoid quantifying losses.

**Quantification of Delays**

Refused to separate delay caused by internal administrative failures from delay caused by contractor failure, shielding management from accountability for consequential costs.

**14.1.12 Buffalo City Metropolitan Development Agency**

Material Misstatement Identified roles (Junior Accountant, Acting Finance Manager, CFO, AO) but did not answer the direct question of "who specifically" is accountable. The AO's acceptance of "full responsibility" is a political/legal statement, not an operational one.

**Disciplinary Action**

Provided a legalistic justification for why no action has been taken. The assurance that consequences will follow "in accordance with labour law" is vague and does not meet the immediate need for accountability. Audit Scope Limitation Candidly acknowledged the cash flow statement was not in Internal Audit's scope due to a flawed risk assessment—a constructive admission.

**Non-submission of the Audit Report**

The Buffalo Metropolitan Development Agency did not submit the audit report to the Municipal Public Accounts Committee for the analysis.

**Other Areas of Concern:**

- Grant funding: The Agency is largely grant dependant and did not respond to why this is the case and what plans are in place to have own funding streams apart from these grants. Furthermore, the Agency did not give clarity as to how they maintain a surplus when they are grant dependent does the Agency have another revenue stream, the committee needed clarity of which the Agency failed to respond.
- Visibility and agency programs: The Agency failed to display its offering through pictorial depiction in the report by not sponsoring own pictures of activities they have done over the past year. Although the CEO indicated that the Agency has a communication unit, this is not seen in presentation of the report.
- One of the six (6) flagship projects: The Committee was concerned that the Water World project with all its challenges that it may result in being a white elephant, the Committee sought clarity on the plan and whether it would integrate with the East London Waterfront to maximise on ROI. This is the same concern for the Sea Literacy project, how effective is it. The Agency failed to provide written response.
- Victoria Grounds: The report does not reflect much on it given the challenge

- Performance on Outcome 3: Vibrant Local Spaces Page 764 states performance to be at 0% and page 771 is at 40%, the misstatement was very alarming making the committee question the accuracy of the performance reported.
- Buffalo City Fresh Produce Market: BCMDA failed to present the Agency's role in the programme replicating the information of Economic Development on what the Department offers.
- The Agency failed to reflect on the stakeholders that they collaborate with in effectively and efficiently achieving the Agencies mandate
- CFO who signed-off report: The committee is concerned that the report makes reference to a CFO who was not in the employ of the Agency during the year under review rather than the Acting CFO, raising yet again the question of validity and accuracy of reported information.
- Anti-Corruption and Fraud: Concerning that in the report the Agency stated that there were no reported fraud and corruption matters to the Agency for the year under review, the Committee feels that this is not a true reflection of the situation given the SIU investigations on UWIF, management please clarify.

## 15. MUNICIPAL ACCOUNTS COMMITTEE RECOMMENDATION

Based on a thorough analysis of the Buffalo City Metropolitan Municipality's Oversight Report for the 2024/2025 financial year, the following are the consolidated recommendations to the Council. These recommendations are extracted from the "Council Resolution and Statement," the "Executive Summary," and the detailed findings for each directorate. They represent a comprehensive directive to break the cycle of dysfunction and enforce accountability.

### 15.1 Consolidated Recommendations to Council

The Council resolves to approve the Annual Report with reservations and, to address the systemic failures identified, instructs the Executive Mayor, Members of the Mayoral Committee, Accounting Officer, Head of Departments and relevant structures to implement the following binding actions:

#### 1. General Governance, Accountability, and Consequence Management

**Implement Consequence Management:** Within 30 days, initiate disciplinary and, where applicable, criminal proceedings against all senior managers and officials identified in the oversight report as responsible for:

##### Material non-compliance.

- The R409.3 million in irregular expenditure and R646.82 million in unauthorised expenditure.
- Fruitless and wasteful expenditure.
- The failure to implement prior audit action plans.
- A detailed report on these actions must be submitted to the Municipal Public Accounts Committee.

##### Mandate a Performance and Data Integrity Reset

- Direct all Heads of Department to personally certify, on a quarterly basis, the accuracy, reliability, and verifiability of their directorate's performance and financial data.
- This certification must be submitted to Municipal Public Accounts Committee, and any false certification must result in immediate disciplinary action.

##### Adopt a Consolidated Remedial Action Plan with Binding Timelines

Require the Accounting Officer to present a single, consolidated Remedial Action Plan to Council within 60 days. This plan must:

- Address all root causes identified in the oversight report.
- Assign specific accountability to named officials.
- Include firm, enforceable deadlines.
- Provide for quarterly progress reports to Municipal Public Accounts Committee.
- Explicitly outline the consequences for failing to meet any of its milestones.

##### Strengthen Oversight of the Audit Action Plan

- Ensure the Audit Action Plan is a standing agenda item for Municipal Public Accounts Committee with monthly progress reviews.
- The Audit Committee must report directly to Council on the implementation of actions, not just the completion of plan items, to shift the focus from "managing the audit" to demonstrating sustainable resolution.

### **Enforce Corrective Action on Stalled Capital Projects**

- Instruct the Accounting Officer to report to Council within 14 days on the specific reasons for delays in all stalled capital projects (e.g., Parking Management System, Law Enforcement Building).
- The report must include a root cause analysis, accountability for the delays, and a revised, enforceable project plan with clear milestones.

### **Strengthen Internal Audit**

- Formally request the Audit Committee to conduct a special review into the factors causing severe delays in the finalization and circulation of the Internal Audit report on the Annual Report, and to recommend preventative measures.

### **Mandate Pre-Submission Assurance**

- Institute a new rule that no draft Annual Report or other major statutory report is submitted to Municipal Public Accounts Committee or Council without a prior formal presentation and sign-off from the Audit Committee, confirming it has been reviewed for quality and compliance.

## **2. Financial Management and Procurement**

### **Mandate a Credible Financial Recovery Plan**

The Accounting Officer must present a comprehensive, time-bound Financial Recovery Plan within 30 days. This plan must:

- Quantify the cash shortfall and set specific monthly targets for creditor payments to move towards the 30-day payment goal.
- Include a detailed strategy for revenue enhancement with specific, measurable targets for collection rates and debt reduction.
- Outline a concrete plan to reduce technical and commercial losses (e.g., meter tampering) with timelines and responsible managers.

### **Enforce Budgeting Compliance**

- The Chief Financial Officer must implement a new protocol ensuring that all material non-cash expenses (depreciation, amortization, impairments) are accurately budgeted for in the 2026/2027 budget to prevent further unauthorised expenditure.

### **Legislate a Consultancy Management Strategy**

- Instruct the Accounting Officer to draft a formal Consultancy Management Strategy for Council's approval within 60 days.
- This strategy must mandate that every consultant contract includes a binding Skills Transfer Plan with measurable outputs and a planned exit strategy.

### **Direct a Review of Debt Collection and Revenue Protection**

The Chief Financial Officer must present a revised revenue enhancement strategy that moves beyond the current "disconnect-reconnect" cycle. The strategy must include:

- A timeline for filling vacancies in the Revenue Protection Unit to 100% capacity.
- A clear policy on prosecuting illegal connections and meter tampering.
- A phased plan with monthly targets to reduce the collection period from 186 days to the national norm.

### **Address Procurement Irregularities**

- The Accounting Officer must provide a report detailing all disciplinary cases instituted against officials responsible for the 2024/2025 findings of irregular expenditure (R 409.3m).
- The report must include the names of officials charged, the nature of the charges, and the current status of the case.

## **3. Critical Infrastructure and Service Delivery**

### **Urgently Intervene in Critical Service Delivery Failures**

Within 30 days, submit to Council a detailed and time-bound action plan to address the most urgent failures, specifically:

- The security and rehabilitation of the Zwelitsha, Schornville, and Reeston Wastewater Treatment Works (WWTW). This must include a comprehensive security plan (fencing, lighting, CCTV, 24-hour guarding) for all WWTW and pump stations.
- The finalization of the process to reinstate water use licenses for all WWTW.
- Expedite Procurement for Zwelitsha WWTW Completion: Direct the Accounting Officer to fast-track the remaining supply chain management processes for the four work packages (civil, mechanical, electrical, control and instrumentation) for the Zwelitsha WWTW and report monthly on progress.

### **Develop a Fleet Acquisition Strategy**

- Management must present a Fleet Acquisition Strategy to reduce reliance on hired/leased vehicles. This must include a cost comparison analysis of hiring vs. owning over the past 3 years and a timeline to reduce hired fleet by a specific percentage through strategic asset procurement. Progress report must be submitted to council within 90 days.

### **Mandate a Comprehensive Infrastructure Master Plan**

- Council resolves to commission a comprehensive, updated Infrastructure Master Plan for Water, Sanitation, and Roads within 12 months.
- This plan must be based on an accurate asset register and condition assessment of all existing infrastructure.

## **4. Human Resources and Organisational Structure**

### **Finalise the New Organisational Structure**

- Require the Accounting Officer to submit a binding project plan for the final adoption of a new, compliant organisational structure within 6 months.

#### **Develop a Formal Staff Retention Policy**

Instruct Management to present a standalone Staff Retention Policy for Council approval within 9 months, addressing the critical risk of high turnover and loss of institutional knowledge.

#### **Address Supervisor Absenteeism**

- Mandate Management to present a clear, written protocol for ensuring 100% supervisory coverage during any absence, including an escalation path and a mandatory "fitness-for-duty" evaluation for any supervisor exceeding a set sick leave threshold.

### **5. Governance of Municipal Entities**

#### **Review the Performance of BCMDA**

- Instruct the Chief Audit Executive to perform a performance audit of the Buffalo City Metropolitan Development Agency (BCMDA), focusing on the status and expenditure of all stalled projects (e.g., Water World) and the agency's compliance with its mandate.
- Ensure that the Audit report of the BCMDA is submitted to Municipal Public Accounts Committee for analysis.
- The findings must be presented to Council with recommendations.

### **6. Strengthening Public Participation and Oversight**

#### **Formally Respond to Public Submissions**

- Council must formally acknowledge receipt of public submissions and provide a written response addressing each question, detailing specific actions taken, as required by the Bato Pele principle.

#### **Clarify Governance Roles**

The Council must facilitate a workshop to clearly delineate the roles of the Executive (implementation of corrective measures), Internal Audit (verification), and the Audit Committee (oversight) to prevent the merging of responsibilities that currently obscures accountability for recurring findings.

**ANNEXURES**

Annexure A-Invitations

Annexure B-Attendance Registers

Annexure C-Minutes

Annexure D-Written Responses per Directorate.

Annexure E-Community and Stakeholder Written Submissions

Buffalo City Metropolitan Municipality  
East London | Bhebe | King William's Town  
Province of the Eastern Cape  
South Africa

Website: [www.buffalocity.gov.za](http://www.buffalocity.gov.za)



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**Municipal Public Accounts Committee**

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## MEMORANDUM

*File No: 4/5/2/5*

**TO : ALL STAKEHOLDERS  
: BCMM**

**FROM : CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
: COUNCILOR M.P. BASOPU**

**DATE : 20 MARCH 2026**

**SUBJECT : INVITATION TO THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
(MPAC) ONLINE PUBLIC ENGAGEMENT ON THE ANNUAL REPORT  
FOR THE 2024/2025 FINANCIAL YEAR**

Dear Stakeholder,

The Municipal Public Accounts Committee (MPAC) of the Buffalo City Metropolitan Municipality hereby invites your organisation to participate in a Public Engagement Session on the Municipal Annual Report through written submissions as well as participation on the hybrid platform.

This engagement forms part of Council's legislated oversight responsibilities in terms of Section 129 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003), read together with Sections 21A and 21B of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), which require municipalities to facilitate public participation during consideration of the Annual Report.



**BUFFALOCITYMETROPOLITANMUNICIPALITY**

*A city growing with you!*



Engagement details are as follows:

Date: 23 March 2026

Format: Hybrid (Written Submissions and Virtual Participation)

**Engagements:**

The Executive Mayor

The Speaker of Council

The Chief Whip of Council

City Manager

Directorate of Infrastructure (Water & Sanitation, Electricity, Roads, Fleet Management)

**The virtual access link will be shared with confirmed participants prior to the session.**

Your participation in this important governance process is highly valued and appreciated.

Kind regards,

MPAC Secretariat

Buffalo City Metropolitan Municipality



BUFFALO CITY METROPOLITAN MUNICIPALITY

*A city growing with you!*





## BUFFALO CITY METROPOLITAN MUNICIPALITY

# ERRATUM NOTICE

### DEPARTMENTAL ENGAGEMENT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) TO CONSIDER THE BUFFALO CITY METROPOLITAN MUNICIPALITY ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

As previously advertised in the Daily Dispatch on 4th March 2026, kindly note the change in dates due to the institutional calendar

Members of the public are hereby invited to participate in the MPAC sessions, wherever possible and convenient, which are scheduled as follows:

Date/Usuku	Committee Activity/ Umsebenzi weKomiti	Key Stakeholders/ Abathathi nxaxheba abaphambili	Venue/Indawo
13-03-2026 Friday	Departmental Engagements <ul style="list-style-type: none"> <li>Spatial Planning and Developments</li> <li>Sport, Recreation and Community Development</li> <li>Economic Development and Agencies.</li> </ul>	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and MPAC Admin Support	Bishop Skhenjana Hall
16-03-2026 Monday	Departmental Engagements <ul style="list-style-type: none"> <li>Public Safety</li> <li>Human Settlements</li> <li>Solid Waste and Environmental Management</li> <li>Emergency Services</li> <li>Corporate Services.</li> </ul>	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and MPAC Admin Support	NU 10 Mdantsane
17-03-2026 Tuesday	Departmental Engagements <ul style="list-style-type: none"> <li>Executive Mayor</li> <li>Speaker of Council</li> <li>Chief Whip of Council</li> <li>City Manager</li> <li>Finance</li> </ul>	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and MPAC Admin Support	East London City Hall
19-03-2026 Wednesday	Departmental Engagements <ul style="list-style-type: none"> <li>External Stakeholders submissions (civic organisations, trade unions, political parties, organised businesses, and organs of state)</li> <li>Executive Support Services</li> <li>Infrastructure Services.</li> </ul>	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and MPAC Admin Support	East London City Hall  (6091)

M. Yawa City Manager

DD 09/03/26

11958

## ANNUAL REPORT ANALYSIS WORK PLAN – 2024/2025

DATE	COMMITTEE ACTIVITY	KEY STAKEHOLDERS	VENUE
Feb 2026	Public Notice – Annual Report	Administration	Libraries Political Constituency Offices Traditional Houses Print Media, BCMM Social Media Platform
17 – 20 Feb 2026	MPAC work session – Analysis of Annual Report.	MPAC Members, MPAC Support Staff	Mpekweni Beach Resort
26 – 27 Feb 2026	MPAC Site Visits	MPAC Members, Section 56 Managers and Programme Managers, MPAC Admin Support	Reeston Zwelitsha Schornville (WWTW)  Buffalo Street EL CBD taxi ranks
13 March 2026	<u>Departmental Engagements:</u> Spatial Planning and Developments. Sport, Recreation and Community Development, Economic Development and Agencies.	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and Programme Managers, MPAC Admin Support	Skhenjana Roji Community Hall, Bhisho
16 March 2026	<u>Departmental Engagements:</u> Public Safety, Human Settlements, Solid Waste and Environmental Management, Emergency Services & Corporate Services.	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and Programme Managers, MPAC Admin Support	NU 10 Community Hall

17 March 2026	<b><u>Departmental Engagements:</u></b> Corporate Service and Finance.	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and Programme Managers, MPAC Admin Support	<b>City Hall</b>
19 March 2026	<b><u>Departmental Engagements:</u></b> BCMDA, Executive Support Services and Infrastructure Services.	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and Programme Managers, MPAC Admin Support	<b>CITY HALL</b>
23 March 2026	<b><u>Departmental Engagements</u></b> Executive Mayor, Speaker of Council, Chief Whip of Council, City Manager, Infrastructure, External Stakeholders submissions, (civic organisations, trade unions, political parties, organised businesses	MPAC Members, Accounting Officer, Portfolio Holders, Section 56 Managers and Programme Managers, MPAC Admin Support	<b>Crawfords beach lodge and hybrid/livestreamed</b>
24 – 26 Mar 2026	<b>Compilation of Oversight Report 2024/25 financial year.</b>	MPAC Members, MPAC Admin Support	<b>TBC</b>
31 Mar 2026	<b>Table Oversight Report to Council.</b>		<b>COUNCIL</b>



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

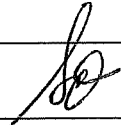
**MEETING: MPAC ANALYSIS OF THE ANNUAL REPORT  
WORK SESSION – MPEKWENI BEACH RESORT**

**DATE: 17 FEBRUARY 2026**

MPAC COUNCILLORS	SIGNATURE
MPAC Chairperson: Cllr. Sakhumzi Caga	
Cllr. Phumezo Jaxa	
Cllr. Mninawe Nyusile	
Cllr. Boy Boy Kalani	
Cllr. Bongwiwe Sauli	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	

**BUFFALO CITY  
METROPOLITAN MUNICIPALITY****BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER****MEETING: MPAC ANALYSIS OF THE ANNUAL REPORT WORK SESSION –  
MPEKWENI BEACH RESORT****DATE: 17 FEBRUARY 2026**

DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Vincent Pillay	
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Corporate Services	Bob Naidoo	
HOD: Infrastructure Services	Nomfanelo Mqoqi - Mondi	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Booi	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Head: Governance & Internal Auditing	Ms. C. Dali	
Chief Risk Officer	Ms. S. Mhambi	
General Manager: Budget	Vuyo Majikijela	

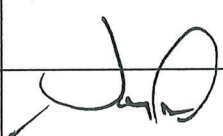
<b>DESIGNATION</b>	<b>NAME</b>	<b>SIGNATURE</b>
General Manager: Comms, IGR, IR SPU	Ms. O. Mahlangu	
General Manager: SCM	Mr. D. Gwabeni	
General Manager: Budget	Mr. V. Majikijela	
General Manager: Revenue Management	Mr. S. Peter	
Manager: Finance	Ms. A. Kretzmann	
Operations Manager: City Manager's Office	Mr. S. Nkonki	
Office Manager: City Manager's Office	Ms. A. Qwede	



**BUFFALO CITY**  
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**ATTENDANCE REGISTER**

**MEETING: MPAC ANALYSIS OF THE ANNUAL REPORT WORK SESSION –**  
**MPEKWENI BEACH RESORT**

**DATE: 17 FEBRUARY 2026**

DESIGNATION	NAME	SIGNATURE
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Monitoring & Evaluation	Mr. S. Batyi	
14. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
15. General Manager: Budget	Mr. V. Majikijela	
16. General Manager: Fresh Produce Market	Mr. T Mpulu	

17. General Manager: Coporate Assest Management	Mr. T. Madikizela	
18. General Manager: Roads Construction PUI	Mr. S. Sojini	
19. General Manager: Electricity	Mr. R. Ferrier	
20. General Manager: Revenue Management	Mr. S. Peter	
21. General Manager: Fleet Management	Mr. Z. Gijana	
22. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
23. General Manager: Solid Waste	Ms. N. Daniel	
24. General Manager: Supply Chain Management	Mr. D. Gwabeni	
25. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
26. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
27. Acting General Manager: Development Planning	Mr. L. Fikizolo	
28. Acting General Manager: Transport Planning	Mr. A. Skwebu	
29. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
30. Head: Enterprise Project Management	Mr. S. Kakaza	
31. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
32. Chief Executive Officer: BCMDA	Mr. A. GOROKA	
33. Programme Manager: Speaker's Office	Mr. V. Zatu	
34. Senior Manager: Administrative & Council Support	Ms. J.F. Augustine	

35. Manager: Auditor-General

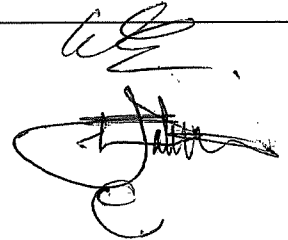
D Erasmus

36 GM: ES

L. Mnxulana

37 EM: Strategy & Risk

Y.S. Mumbi





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BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC ANALYSIS OF THE ANNUAL REPORT WORK SESSION –  
MPEKWENI BEACH RESORT**

**DATE: 17 FEBRUARY 2026**

DESIGNATION	NAME	SIGNATURE
1. EM: PPDM - BCMDA	Dr. S.M. Mkhondo	
2. EM: strategy & Risk - BCMDA	Sisonko Mubh	
3. CEO	Sabalo Mavundla	
4. RMO member	Phumzile Zizwana	
5. DIRECTOR COGTA ADM Bann-DSC	V. Mbelani	
6. Manager: AGSA	D Erasmus	
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**BUFFALO CITY  
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ATTENDANCE REGISTER**

**MEETING:** MPAC ANALYSIS OF THE ANNUAL REPORT  
WORK SESSION – MPEKWENI BEACH RESORT

**DATE:** 18 FEBRUARY 2026

MPAC COUNCILLORS	SIGNATURE
MPAC Chairperson: Cllr. Sakhumzi Caga	
Cllr. Phumezo Jaxa	
Cllr. Mninawe Nyusile	
Cllr. Boy Boy Kalani	
Cllr. Bongiwwe Sauli	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	


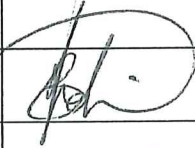
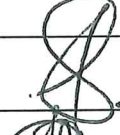
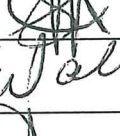








**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING:** MPAC ANALYSIS OF THE ANNUAL REPORT  
WORK SESSION – MPEKWENI BEACH RESORT

**DATE:** 19 FEBRUARY 2026

MPAC COUNCILLORS	SIGNATURE
MPAC Chairperson: Cllr. Sakhumzi Caga	
Cllr. Phumezo Jaxa	
Cllr. Mninawe Nyusile	
Cllr. Boy Boy Kalani	
Cllr. Bongiwwe Sauli	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	





**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
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ATTENDANCE REGISTER**

**MEETING:** MPAC ANALYSIS OF THE ANNUAL REPORT  
WORK SESSION – MPEKWENI BEACH RESORT

**DATE:** 20 FEBRUARY 2026

MPAC COUNCILLORS	SIGNATURE
MPAC Chairperson: Cllr. Sakhumzi Caga	
Cllr. Phumezo Jaxa	
Cllr. Mninawe Nyusile	
Cllr. Boy Boy Kalani	
Cllr. Bongive Sauli	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	





**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**REGISTER AND STATEMENT**




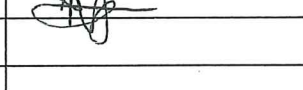
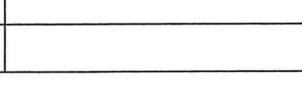



**IMPARTIALITY AND CONFLICT OF INTEREST**

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE DEPARTMENTAL HEARING – SKENJANA ROJI**

**DATE: 13 MARCH 2026**

I, the undersigned, hereby declare:

1. That I will not purposefully favour or prejudice anybody in the course of exercising my duties as a member of the Committee.
2. That I will make known details of any private or business interest which I, or any Close family member from participating in such matter and recuse myself.
3. That to the extent that information is sensitive or confidential, I will treat such information provided with discretion, and not disclose or discuss with parties not related thereto.
4. That in appending my signature hereunder, I confirm that I have no conflict of interest in any or all of the items included in the agenda and/or tabled at this meeting unless indicated otherwise in the minutes and have accepted the conditions set above.

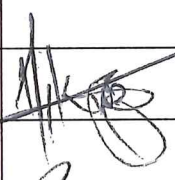
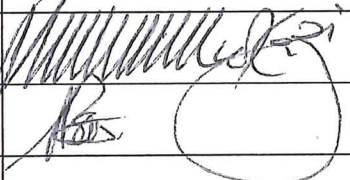

<b>MPAC COUNCILLORS</b>	<b>SIGNATURE</b>
MPAC Chairperson: Cllr. M.P Basopu	
Cllr. Phumezo Jaxa	
Cllr. Boy Boy Kalani	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION  
ROJI SKHENJANE HALL**

**13 MARCH 2026**

DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Siyabulela Peter	
Chief Operating Officer	Vincent Pillay	
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Infrastructure Services	Nomfanelo Mqoqi - Mondi	
HOD: Corporate Services	Bob Naidoo	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Booie	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Chief Risk Officer	Siyasanga Xoki	
Deputy Head: Municipal Courts	Siphafo Handi	
General Manager: Budget	Vuyo Majikijela	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

**MEETING: MPAC PUBLIC PARTICIPATION  
ROJI SKHENJANE HALL**

**13 MARCH 2026**

DESIGNATION	NAME	SIGNATURE
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
14. General Manager: Budget	Mr. V. Majikijela	
15. General Manager: Fresh Produce Market	Mr. T Mpulu	
16. General Manager: Corporate Assets Management	Mr. T. Madikizela	
17. General Manager: Roads Construction PUI	Mr. S. Sojini	
18. General Manager: Electricity	Mr. R. Ferrier	
19. General Manager: Fleet Management	Mr. Z. Gijana	
20. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
21. General Manager: Solid Waste	Ms. N. Daniel	

22. General Manager: Supply Chain Management	Mr. D. Gwabeni	
23. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
24. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
25. Acting General Manager: Development Planning	Mr. L. Fikizolo	
26. Acting General Manager: Transport Planning	Mr. A. Skwebu	
27. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
28. Head: Enterprise Project Management	Mr. S. Kakaza	
29. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
30. Chief Executive Officer: BCMDA		
31. Operations Manager: City Manager's Office	Mr. S. Nkonki	
32. Programme Manager: Speaker's Office	Mr. V. Zatu	
33. Senior Manager: Administrative & Council Support	Ms. J.F. Augustine	
34. Office Manager	Ms. A. Qwede	

35. Phindile Mavundla Am! Tourism
36. BABALO JEZUE ACM-PARKS & GARDENS
37. Cynthia Mzudane: Pools, PIC & Resto
38. Asanda Makae : SACT SM: Cementeries
39. M. KWINANA  
Coord. Heritage
40. A. malgas  
K. Hlobongwe  
Intern HOD office  
Bomm Heritage J--



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION - SKHENJANI ROJI**

**DATE: 13 MARCH 2026**

NAME	DESIGNATION	SIGNATURE
<b>MPAC Technical Staff:</b>		
Mr. Aphiwe Nkosimbini		
Ms. Yolanda Mfana		
Ms. Zanele Papa		
<b>MPAC Admin Support Staff:</b>		
Ms. S. Nzwana	Program Manager	
Ms. Unabo Myoyo	Senior Committee Officer	
Ms. Akhona Kim Komani	Committee Secretary	
Ms. Gcobisa Gulwa	Committee Secretary	
<del>Ms. Zandile Matika</del>	<del>Personal Assistant to Chairperson</del>	
Ms. S. Nobongoza	Receptionist	
Ms. L. Molose	Admin Asst.	
Mr. S. Gwana	Intern	
Ms. Y. Lamati	Office Attendant	
Ms. Y. Kwayimani	Office Attendant	
Mr. S. Fama		
Ms N. SAGELA	Admin ASSISTANT	
<b>ICT Department</b>		
Mr. L. Jongwana	ICT Technitian	
<b>Communication Department</b>		



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METROPOLITAN MUNICIPALITY  
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ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION – SKHENJANA ROJI**

**DATE: 13 MARCH 2026**

DESIGNATION	NAME	SIGNATURE
1. Cllr	DINEIA MANSXOLIA	
2. Cllr	de se	
3. Councilor	M. KOSAH	
4. AG. SENIOR MANAGER	A. L. L. L.	
5. ACT. Svr MANAGER STRATEGIC	M. DLONA	
6. Acting Senior Manager	SP. MKONWANE	
7. MANAGER	M. BOON	
8. SENIOR MANAGER	A. MATJOSENI	
9. Senior Manager	S. INFILU	
10. Acting Manager	L. XUBANS	
11. Ward Cllr	D. MAHANGANE	
12. Ward Admin	Pheliso Joxo	
13. Cllr	SINDISWA STEPE	
14.	NOMANJENGA	
15. Cllr	Z. MITYINGIZANE	
16. Svr Manager. Geomatics	Z. AKIZOLO	
17. Cllr P. S. S. S.	P. M. E. E.	
18. J. G. C. S.		
19. Muleka Mabele	Mabele	
20. Sh. Admin	Faith Mabele	
21. GM - TPO.	ANAND SIKWENI	
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**BUFFALO CITY**  
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**ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION: SKHENJANA ROJI**

**DATE: 13 MARCH 2026**

NAME	WARD NUMBER	SIGNATURE
Hombakazi	44	H Marcus
Zwanele	44	<del>Signature</del>
Manie Ntshuaxe	44	<del>Signature</del>
LAVISA Mzingaye	41	<del>Signature</del>
ANEKISA MNDABLANA	44	<del>Signature</del>
Akhona Dlin Gwa	44	<del>Signature</del>
Gampy N.P	39	<del>Signature</del>
Mzimasi B.	39	Chumani
THAMIE SKOSANA	39	<del>Signature</del>
MZUVUMILE NGALO	39	<del>Signature</del>
Blossom MSHAWANDA	34	<del>Signature</del>
TOKANI LINDIWE	34	<del>Signature</del>
Amzoleke Mshweni	34	<del>Signature</del>
HLAZO MANDISA	34	Muzgo
Hegie Nokuzola	34	<del>Signature</del>
Buzani MamPho	34	MNB
Myakala Sivenathi	34	Smyakala
NOMANTOMBI KALIPA	38	<del>Signature</del>
B.manga	38	<del>Signature</del>
JAKA MPUMEZO	43	MJ
Akhona Patsel	40	<del>Signature</del>
SIPHAKAZI Bulwano	40	<del>Signature</del>
Sive Mazawule	35	<del>Signature</del>
Joliswa ZAVISI	25	J. ZAVISI
Zinobulali Majiya	35	<del>Signature</del>
Thabani Mtyids	35	T. mtyids
Silizive mapuma	35	S. mapuma
SIPHAKAZI MAGIWI	35	S. M

Gidi Athenkosi	35	<del>A</del>
JeJe Asivile	35	<del>AJ</del>
MAGAS THUKANI	35	T. MAGE
Jacobite Mbandi	40	<del>A.M</del>
Brenda Materise	41	<del>B.M. Materise</del>
ZINZI TEMBANI	41	Z Tembani
Thembele Peter	41	T. Peter
Nomamethu Xhiphu	41	N. Xhiphu
Phumeza NDYEBI	49	<del>P. NDYEBI</del>
MAGADZA Loyiso	43	<del>M. Magadza</del>
Phe Nomvuyisek	40	<del>Phe</del>
CEKISO LUVUYO	43	<del>C</del>
THANDI DISWA KATYANA	36	<del>T. Katyana</del>
NOMHE Mbule	36	<del>N</del>
SINDIWA SAULI	36	<del>S</del>
Sikelelwa Makapela	43	<del>S. Makapela</del>
Zoloka Pepule	25	<del>Z. Pepule</del>
THANDOKAZI PHIKE	28	<del>T. Phike</del>
Nomakhosazana Ngwele	26	<del>N</del>
Zukhanya GURUCALO	25	<del>Z. Gurucalo</del>
Xoliswa Wana	37	<del>X</del>
Athi Fourteen	37	<del>A</del>
Enza Gege	37	<del>E</del>
M. YATICE	35	<del>M</del>





**BUFFALO CITY**  
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**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION: SKHENJANA ROJI**

**DATE: 13 MARCH 2026**

NAME	WARD NUMBER	SIGNATURE
ntombizandile Molo	40	N. Molo
Andile Zandeka	40	A.Z
Zurhenge Bobotyane	40	Z. Bobotyane
Muyani MAKHETIHA	41	Muyani
Nqobile Mti	41	Nqobile
Nelanzai TAPKE	43	N. TAPKE
Ambeswe Sakh	40	A. Sakh
Nosipho GYOTA	43	N. GYOTA
Zokani Mpondo	43	Z. Mpondo
ZAVETE JNITA	36	Z. JNITA
NTOMBIZAKHE KOTI	36	N. KOTI
Apendule Komani	36	A. Komani
Siphokazi Koko	25	S. Koko
Phumla Kandile	<del>25</del> 25	P. Kandile
Mpondo Nonkululeko	37	M. Nonkululeko
Joyce Kanye	37	J. Kanye
Thembela Pengo	53	T. Pengo
Bukelwa Nkurjira	45	B. Nkurjira
Siphokhile Mngqayana	45	S. Mngqayana
Wandiswa Sakwisa	45	W. Sakwisa
Thandiso Geronzo	43	T. Geronzo
Kamvelile Mbalana	49	K. Mbalana
INGA TWANI	43	I. TWANI
AMANDA MATINICZ	45	A. MATINICZ



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION: SKHENJANA ROJI**

**DATE: 13 MARCH 2026**

NAME	WARD NUMBER	SIGNATURE
Othemba Bayuma	ward 35	O Bayuma
Jonda Tom	Ward 35	J. Tom
Lisoletu Magiwu	ward 35	L. Magiwu
Phda Hlangani	Ward 40	Phda Hlangani
Mhlangabezi Nzelani	ward 40	M.N
Mkhuluhi Hlako	ward 40	M. Hlako
Zintle Ndzana	ward 41	Z. Ndzana
THABO MATSHINI	WARD 41	M. Matshini
Zohela Thimbeka	ward 41	Z. Thimbeka
Yoliswa Mzimyete	ward 41	Y. Mzimyete
Mhlangabezi Beyi	ward 40	M. Beyi
Linda Sobetwa	ward 43	L. Sobetwa
Buati Lubelwaka	WARD 43	B. Lubelwaka
Noxolo Tsabane	WARD 43	N. Tsabane
Ntombekhaya Klars	WARD 43	N. Klars
Mangaliso Manengela	ward 43	M. Manengela
Boniswa Koundani	WARD 36	B. Koundani
APHELELE HLATHI	WARD 36	A. Hlathi
Siphokazi Boozi	ward 36	S. Boozi
Nobathini Fabile	ward 36	N. Fabile
Zukiswa Sotcha	Ward 36	Z. Sotcha
Elsa Sdumo	ward 25	E. Sdumo
Nomvuyo Ndwane	ward 25	N. Ndwane
Thobeka Botile Matshoba	ward 25	T. Matshoba
Noluthando Diko	ward 25	N. Diko
Sipho Gangga	ward 37	S. Gangga
Nwabisa Molani	WARD 37	N. Molani
Uyiseka Crazi	WARD 37	U. Crazi

ZAMA Nshona	WARD 39	<del>W. M. Nshona</del>
Nomamsengu Mtyhola	WARD 35	<del>W. M. Nshona</del>
Kelwa SITO	WARD 45	<del>W. M. Nshona</del>
Duyisa Vellem	Ward 45	<del>W. M. Nshona</del>
Zoleka Blom	ward 45	<del>W. M. Nshona</del>
Npileka MAMEFANE	WARD 43	<del>W. M. Nshona</del>
Phathiswa Boso	ward 39	<del>W. M. Nshona</del>
Npileka Mtyhola	ward 45	<del>W. M. Nshona</del>
Nosi Mnyikizo	ward 43	N. Mnyikizo
Rosi Caroline	WARD 43	Rosi Carol
Siphokazi siurman	ward 49	<del>W. M. Nshona</del>
SIPHU BATATA	WARD 49	<del>W. M. Nshona</del>
Ziyanda ROTA	WARD 49	<del>W. M. Nshona</del>
Sinethumbi Gana	Ward 49	<del>W. M. Nshona</del>
Zizipho Nonganyi	Ward 49	<del>W. M. Nshona</del>
Ayabulela Singiswa	ward 43	<del>W. M. Nshona</del>
Sondiswa Oyonashi	ward 38	<del>W. M. Nshona</del>
Kaleni Raymond	Ward 43	Kaleni
Sinespho NGcolani	Ward 43	S. NGcolani
Nontuthuzelo keva	Ward 43	<del>W. M. Nshona</del>
Siyabonga Mnyapa	ward 40	<del>W. M. Nshona</del>



**BUFFALO CITY  
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BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING:** MPAC PUBLIC PARTICIPATION – SKHENJANA ROJI

**DATE:** 13 MARCH 2026

	DESIGNATION	NAME	SIGNATURE
1.	Ward 44	FUNDISWA	(FM)
2.	Ward 44	Phelisa	Phelisa
3.	WARD 44	NOSISA	N.B. Nyayo
4.	WAR 44	Xolile	Xolile
5.	WAR 44	YOLUTHANDO	Y. A. A. A. A.
6.	Ward 44	Ziyanda	Ziyanda
7.	WARD 44	ZANDILE	ZANDILE
8.	WARD 39	TAMARA	TAMARA
9.	WARD 39	Rotandwa	Rotandwa
10.	WARD 39	NONELWA	NONELWA
11.	WARD 39	Mthetheli	Mthetheli
12.	Ward -34	N.V. Mbangwa	N.V. Mbangwa
13.	Ward -34	Z. Tokarui	Z. Tokarui
14.	WARD 34	N. Mahayi	N. Mahayi
15.	Ward -34	Z. Maruba	Z. Maruba
16.	Ward -34	N. Spalika	N. Spalika
17.	Ward -34	N. Mzayyani	N. Mzayyani
18.	Ward 34	S. Kiet	S. Kiet
19.	Ward 34	T. Tame	T. Tame
20.	WARD 38	P. Taneli	P. Taneli
21.	WARD 39	P. Stemphe	P. Stemphe
22.	WARD 43	P. BLOM	P. BLOM
23.	WARD 35	S. MOTENI	S. MOTENI
24.	WARD 35	A. GOWS	A. GOWS

25.	WARD 25	A. GAZI	<del>KEY</del>
26.	WARD 35	S. ZANTCI	S. ZANTCI
27.	WARD 35	S. JEJE	SJEJE



**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

**MEETING:** MPAC PUBLIC PARTICIPATION – SKHENJANA ROJI

**DATE:** 13 MARCH 2026

DESIGNATION	NAME	SIGNATURE
1. Ward 40	Zoleka	
2. Ward 40	Nomandla	
3. Ward 41	Veloqa Nkango	
4. Ward 41	Nomothembu	
5. Ward 41	Ntombenhaya Koba	
6. Ward 41	Buyiswa Pheko	
7. WARD 43	Thabang	
8. WARD 43	LWANDO.S	
9. WARD 43	SIPHAKAZI.M	
10. WARD 43	Vuyo Mdebuka	
11. KOPANIKI 2	KHUKHO	
12. No. Ward 36	Dontumara	
13. Ward 36	Fundiswa	
14. WARD 36	Ntombiphele	
15. Ntombemba Jix Ward 36	W.N. Jaxa	
16. WARD 25	T. BOTSO	
17. WARD 25	N. Dodo	
18. Ward 25	S Manda	
19. WARD 25	T. NJONDO	
20. WARD 37	BULEN	
21. WARD 37	Anelisa	
22. Ward 37	Jennifer Katis	
23. Ward 43	Buyiswa Gada	
24. WARD 35	VATSWA MALWA	



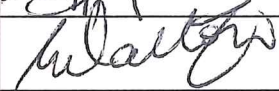





25.	Ward 45	X. Mbali	X Mbali
26.	WARD 39	M. Neku	<del>M. Neku</del>
27.	klas A3	M. B. Laga	M. B. Laga



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

Departmental Engagement (Mdantsane)

Date...16 March 2026....


MPAC COUNCILLORS	SIGNATURE
MPAC Chairperson: Cllr. Mike Price Basopu	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Phumezo Jaxa	
Cllr. Mziyanda Hlekiso	
Cllr. Boy Boy Kalani	
Cllr. Vuyokazi Siboyana	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**MPAC PUBLIC PARTICIPATION – N.U.10 MDANTSE COMMUNITY HALL      DATE: 16 MARCH 2026**




**ATTENDANCE REGISTER**

PORTFOLIO HEAD	DIRECTORATE	SIGNATURE
1. CLLR. TYALI	FINANCE	
2. CLLR. MNYUTE	LOCAL ECONOMIC DEVELOPMENT & AGENCIES	
3. CLLR. MAXONGO	PUBLIC SAFETY & EMERGENCY SERVICES	
4. CLLR. MTYINGIZANE	SPATIAL PLANNING & DEVELOPMENT	
5. CLLR. CAGA	HUMAN SETTLEMENTS	
6. CLLR. MFAZWE	INFRASTRUCTURE SERVICES	
7. CLLR. RALASI	SPORTS RECREATION & COMMUNITY DEVELOPMENT	
8. CLLR. CLARA-YEKISO	SOLID WASTE & ENVIROMENT	
9. CLLR. SAULI	COPORATE SERVICES	



**BUFFALO CITY  
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BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**




16 March 2026 - 1410 Mdantsane Community Hall.

WARD	PARTY	COUNCILLOR'S NAME	SIGNATURE
11	ANC	Cllr Nozuko Stemele	
12	ANC	Cllr Dumsani Ntyabontyi	
14	ANC	Councillor Zininzi Mtyingizane	
17	ANC	Cllr Veliswa Mrwebi	
20	ANC	Cllr Lwando Pisane	
42	ANC	Phakamile Bamla	
21	ANC	Cllr Nkosinathi Mndi	
22	ANC	Cllr Sabelo Boo	
23	ANC	Cllr Simbongile Gulwa	
24	ANC	Cllr Melizwe Tutu	
26	ANC	Cllr Monde Mfene	
30	ANC	Cllr Nontyilelo Whittington	
48	ANC	Cllr Phumezo Jaxa	



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BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**


**Departmental Engagement (Mdantsane)      Date...16 March 2026....**

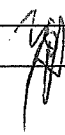
DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Siyabulela Peter	
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Infrastructure Services	Nomfanelo Mqoqi - Mondi	
HOD: Corporate Services	Bob Naidoo	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Booi	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Chief Risk Officer	Siyasanga Xoki	
Deputy Head: Municipal Courts	Siphatho Handi	
Office Manager: City Manager's Office	Ms. A. Qwede	
Operations Manager: City Manager's Office	Mr. S. Nkonki	



**BUFFALO CITY  
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**Departmental Engagement (Mdantsane)      Date...16 March 2026....**

DESIGNATION	NAME	SIGNATURE
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Monitoring & Evaluation	Mr. S. Batyi	
14. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
15. General Manager: Budget	Mr. V. Majikijela	
16. General Manager: Fresh Produce Market	Mr. T Mpulu	
17. General Manager: Coporate Assest Managment	Mr. T. Madikizela	
18. General Manager: Roads Construction PUI	Mr. S. Sojini	
19. General Manager: Electricity	Mr. R. Ferrier	
20. General Manager: Revenue Management		

21. General Manager: Fleet Management	Mr. Z. Gijana	
22. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
23. General Manager: Solid Waste	Ms. N. Daniel	
24. General Manager: Supply Chain Management	Mr. D. Gwabeni	
25. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
26. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
27. Acting General Manager: Development Planning	Mr. L. Fikizolo	
28. Acting General Manager: Transport Planning	Mr. A. Skwebu	
29. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
30. Head: Enterprise Project Management	Mr. S. Kakaza	
31. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
32. Chief Executive Officer: BCMDA		
33. Programme Manager: Speaker's Office	Mr. V. Zatu	
34. Senior Manager: Administrative & Council Support	Ms. J.F. Augustine	

GENERAL MANAGER  
EMERGENCY SERVICES

N. Dom





**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (Mdantsane)      Date...16 March 2026....

DESIGNATION	NAME	SIGNATURE
1. Acting District Officer	L. MATISO	[Signature]
2. Regional Manager - MHS	S. GOALWE	[Signature]
3. Deputy Chief of Police	P. MATOLENGWE	[Signature]
4. Assistant Manager	S. DUTSI	[Signature]
5. City Councillor PS	P. Chetty	[Signature]
6. REC PAC	Z. XABE	[Signature]
7. REC PAC	K. Mkhabela	[Signature]
8. Acting ITO: SW/DM	Z. MATHIYI	[Signature]
9. SM: Operations	M. Tshuta	[Signature]
10. SW/DM	Lindela Cepel	[Signature]
11. Vuyolweth WARD committee	Vuyolweth Makeleni	[Signature]
12. PR CIV	Tessa Botha	[Signature]
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

Departmental Engagement (Mdantsane)

Date...16 March 2026....

NAME	DESIGNATION	SIGNATURE
<b>MPAC Admin Support Staff:</b>		
Ms. Unabo Myoyo	Acting Senior Committee Officer	
Ms. Lutho Molose	Admin Support Staff	
Ms. Sandisiwe Nobongoza	Admin Support Staff	
Ms. Akhona Kim Komani	Committee Secretary	
Ms. Gcobisa Gulwa	Committee Secretary	
MR U Xala	Communications	
MRS L BOYA	Communications	
Mr. Luvuyo Jongwana	ICT Technician Practitioner	
Ms. Yandiswa Zozo - Lamati	Office Attendant	
Ms. Yandiswa Kwayimani	Office Attendant	
Mr. Sinxolo Fama	Driver / Messenger	
Mr Somila Gwana	Intern - Legal	
Ms Nombulelo BACELA	PA Chairperson	
<b>Service Provider:</b>		
MR		





**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (Mdantsane)      Date...16 March 2026....

Name & Surname	Ward	SIGNATURE
1. SIMPLIWE MCPHAYI	42	
2. Lindoka Genabe	42	
3. MELINDA ZONDANI	22	
4. LITHE TSMOSI	22	
5. Lindelwe NOMJI	22	
6. Montombi Manyandube	24	
7. Montobeko Mloane	24	
8. Neliswa MZUZU	24	
9. Lungiswa BABA	24	
10. Nolusindiso SIFILI	11	
11. NOKUADQ MFAKA	11	
12. Montwa KUSTI	11	
13. Nompumehlo DEKEZA	17	
14. Sphiwo (N.O) WODI	15	
15. Bongwa Makoberana	12	
16. Khebye KHULUQA	48	
17. Norebele GIOLIZA	48	
18. Zinzi TOMOSE	26	
19. Nomthanda BELWA	26	
20. Sinovuyo KEDSIMILE	26	
21. Mthuthuzeli SIWAYI	22	
22. LUNGISIE MARANGULA	48	
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**BUFFALO CITY  
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ATTENDANCE LIST**

Departmental Engagement (Mdantsane)      Date...16 March 2026....

Name & Surname	Ward	SIGNATURE
1. Zeleka Simon d/p	30	
2. Mandisa DLUTU	30	
3. Siphumandla Tyeni	30	
4. Phumla Simeliso	30	
5. Vuthwa Kowakala	30	
6. Sabeliso Simeliso	30	
7. Tamarq Mbeube	30	
8. Puma Matte	30 Ward	
9. Nozie Veng	48	
10. B. Malhosi	20	
11. Lutele Ntew	30	
12. THEZAMA DUKISA	30	
13. Madoba Nyengani	42	
14. BUYISWA DODI	42	
15. IKE SIMELI SANI	48	
16. Linda MKAWUWU	22	
17. Sange MShambela	22	
18. Nomabeko Ntswa	22	
19. GERALD NYATLA	11	
20. Solomzi Tutani	11	
21. ETHELINA HELENI	11	
22. Nqobekhele Mliswa	24	
23. Nani Kazi Ntethe	24	
24. Nokulunga Makalima	11	
25. Noluthando Bly	11	
26. Sibongile N. Kosana	11	
27. MAWISI MKHOLISWA	30	

28.	Luleka Madeliso	ward 12	<i>[Signature]</i>
29.	Bonazine Goniwe	ward 12	<i>[Signature]</i>
30.	Andile Somnong	WARD 30	<i>[Signature]</i>
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Departmental Engagement (Mdantsane)      Date...16 March 2026....

Name & Surname	Ward	SIGNATURE
1. NONDAME MDUNYBLWA	30	
2. VUYISERA Tonale	30	
3. Kabe Mini	30	
4. Dompago Mzimkulu	30	
5. NOMBHLE CG. QOBOKA	30	N. C. Qobok
6. LABILE VIKI	12	L. V
7. Siwela Siphethokuhle	30	
8. ZINSISILE TOM	48	
9. FIKSWA Gqomono	42	F. Gqomono
10. THEMBAKAZI HLAZI	42	T. Hlazi
11. Zandile Boneni	48	
12. ELIYILI		KI ELI
13. MERCY N. WOLA	22	
14. N' DIKO	22	
15. S. GWABANI	11	S. GWABANI
16. GABISA GORWE	24	
17. NOKUZOLA KASTILE	24	
18. P. Rutato Pululu	30	P. Rutato
19. P. HCNM	24	
20. FEZEKO RASI	11	F. Rasi
21. XOLISWA MARU	24	
22. MATHSADI KALA	11	M. Kala
23. Siga Zebeko	48	
24. Aganda Mgadla	17	
25. KHOLISWA BOGWANA	17	
26. HLAZI GREY (DRIVER)	17	L. Grey
27. BUYISWA XUSO	12	

28.		
29.	Sikhumbuzo H. Maliti	W 8 12
30.	Momtsikelela Solani	W. 48
31.	Mandiso Memani	48
32.	Siyathandwa Betheni	W.D 26
33.	Ndileka Cimoni	W.D 26
34.	Hlomla Boye	NO 26
35.	Sakhumzi Jaji	Ward 26
36.	Siyamthanda Memani	WARD 26
37.	Chinyi Pungulwa	RCM
38.	Luswe Mwanza	W-48
39.	Nondumiso TISO	W-20
40.	Zodwa Ngcedaba	
41.	VUNDIWE THU MAKELANI	WARD 17
42.	Meliso Mangqa	WARD 17
43.	Anelise Mgxena	WARD 48
44.	Lifa Madandike	ward 20
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
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ATTENDANCE LIST**

Departmental Engagement (Mdantsane)      Date...16 March 2026....

Name & Surname	Ward	SIGNATURE
1. Vuyiswa Lingg	30	U. Lingg
2. Babalwa Bashe	30	
3. TANDIWE DINGA	30	T.D
4. NOLUFERE Williams	30	
5. Kholwa Tyhlekile	30	X. Tyhlekile
6. Siyanda Skeji	30	S. Skeji
7. Mofhekanti Panda	30	M. Panda
8.		
9. Uqulwazi		X
10.		
11. S. Nongqale		
12. N. NONGQALE	30	
13. Siphokazi Maweni	42	S. Maweni
14. Asavela Sithetho	42	
15. Molekazi Sitala	42	W.S
16. Vuyisile FAKIDULO	22	
17. Nomuzo Skade	22	
18. Nontelo Moyo	22	N. Moyo
19. SINETHEMBA NOKHOSHE	22	
20. LUNGISWA MSHALI	24	L. Mshali
21. NOMOTO MARYAMU	24	M. Maryamu
22. Sisanda Geza	30	S. Geza
23. Sizeka Ntoko	24	S. Ntoko
24. T. Stuurin	24	T. Stuurin
25. A. Sante	12	
26. S. Fey	24	S. Fey
27. LN Sounono	30	

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29.		
30.K		
31. Athona Mamkeli	WARD 12	<del>A.M.D</del>
32. Olwethu Jaji	W-12	<del>Olwethu</del>
33. Fundiswa Bokuwa	W1-12	<del>Fundiswa</del>
34. ASANDA MEFU	W-11	<del>ASANDA</del>
35. Ntombentshe Kless	W30	<del>Ntombentshe</del>
36. Mewakhe Ngcuthane	WARD 48	<del>Mewakhe</del>
37. Mporomiso Ngcuthane	WARD 48	<del>Mporomiso</del>
38. Mr T. Bamfo	WARD 42	<del>Mr T. Bamfo</del>
39. NELSON BANJWA	WARD 30	<del>NELSON BANJWA</del>
40. SIPHIWO MARIINS	WARD 48	<del>SIPHIWO MARIINS</del>
41. Komashé Thonfundo	WARD 26	<del>Komashé Thonfundo</del>
42. Sali waba Mlungwane	WARD 26	<del>Sali waba Mlungwane</del>
43. Olothando Jaji	ward 26	<del>Olothando Jaji</del>
44. Mphumzi HIX 603	WARD 26	<del>Mphumzi HIX 603</del>
45. Memaui SABATA	11 48	<del>Memaui SABATA</del>
46. XOLANI MAFANGA	WARD 48	<del>XOLANI MAFANGA</del>
47. VUTOLINETHU MENTELELELI	WARD 17	<del>VUTOLINETHU MENTELELELI</del>
48. BUSISINE NYABA	WARD 17	<del>BUSISINE NYABA</del>
49. Mandisi B. SAMI	WARD 48	<del>Mandisi B. SAMI</del>
50. ZODI MBEKINI	WARD 48	<del>ZODI MBEKINI</del>
51. Andisile Tshobana	WARD 48	<del>Andisile Tshobana</del>
52. Sigabulele KLAAS	WARD 48	<del>Sigabulele KLAAS</del>
53. Barry NIKONIKI	WARD 22	<del>Barry NIKONIKI</del>
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**REGISTER AND STATEMENT**

**IMPARTIALITY AND CONFLICT OF INTEREST**

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE DEPARTMENTAL HEARING – CITY HALL**

**DATE: 17 MARCH 2026**

I, the undersigned, hereby declare:

1. That I will not purposefully favour or prejudice anybody in the course of exercising my duties as a member of the Committee.
2. That I will make known details of any private or business interest which I, or any Close family member from participating in such matter and recuse myself.
3. That to the extent that information is sensitive or confidential, I will treat such information provided with discretion, and not disclose or discuss with parties not related thereto.
4. That in appending my signature hereunder, I confirm that I have no conflict of interest in any or all of the items included in the agenda and/or tabled at this meeting unless indicated otherwise in the minutes and have accepted the conditions set above.

<b>MPAC COUNCILLORS</b>	<b>SIGNATURE</b>
MPAC Chairperson: Cllr. M.P Basopu	
Cllr. Phumezo Jaxa	
Cllr. Boy Boy Kalani	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	
Vacant	
Vacant	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...17 March 2026....

WARD	PARTY	COUNCILLOR'S NAME	SURNAME	SIGNATURE
4	DA	LEMARC ALLISTER	STEWART	
3	DA	LORNA	HALI	
5	ANC	NTOMBENANI MONICA	GOCI	<i>[Signature]</i>
13	ANC	OSCAR	MHLAULI	
15	ANC	NWABISA	MCWABENI	
16	ANC	NTSIKA	QALI	
18	DA	Jason Scott	Mc Dowell	
27	ANC	BOY-BOY	KALANI	
28	DA	FREDRICK CAREL	POHL	
29	DA	VALERIE DAWN	KNOETZE	
47	ANC	FUNEKA SARAH	WOLOSE	
50	ANC	ANELE	GUNYAZILE	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION: CITY HALL**

**17 MARCH 2026**

**ATTENDANCE REGISTER**


DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Siyabulela Peter	
Chief Operating Officer	Vincent Pillay	
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Infrastructure Services	Nomfanelo Mqoqi - Mondi	
HOD: Corporate Services	Bob Naidoo	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Booi	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Chief Risk Officer	Siyasanga Xoki	
Deputy Head: Municipal Courts	Siphatho Handi	
General Manager: Budget	Vuyo Majikijela	

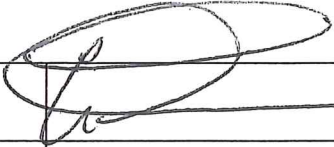



**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE LIST**

**MEETING: MPAC PUBLIC PARTICIPATION: CITY HALL**

**17 MARCH 2026**

<b>DESIGNATION</b>	<b>NAME</b>	<b>SIGNATURE</b>
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
14. General Manager: Budget	Mr. V. Majikijela	
15. General Manager: Fresh Produce Market	Mr. T Mpulu	
16. General Manager: Corporate Assets Management	Mr. T. Madikizela	
17. General Manager: Roads Construction PUI	Mr. S. Sojini	
18. General Manager: Electricity	Mr. R. Ferrier	
19. General Manager: Fleet Management	Mr. Z. Gijana	
20. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
21. General Manager: Solid Waste	Ms. N. Daniel	

22. General Manager: Supply Chain Management	Mr. D. Gwabeni	
23. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
24. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
25. Acting General Manager: Development Planning	Mr. L. Fikizolo	
26. Acting General Manager: Transport Planning	Mr. A. Skwebu	
27. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
28. Head: Enterprise Project Management	Mr. S. Kakaza	
29. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
30. Chief Executive Officer: BCMDA		
31. Operations Manager: City Manager's Office	Mr. S. Nkonki	
32. Program Manager: Speaker's Office	Mr. V. Zatu	
33. Senior Manager: Administrative & Council Support	Ms. J.F. Augustine	
34. Operations Manager: City Manager's Office	Mr. S. Nkonki	
35. Office Manager: City Manager's Office	Ms. A. Qwede	

3.6 AGM: Revenue

MR X. W OMONO





**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING:** MPAC PUBLIC PARTICIPATION – CITY HALL

**DATE:** 17 MARCH 2026

NAME	DESIGNATION	SIGNATURE
1. S. HALLS	Snr Manager: Corporate Supp	[Signature]
2. L. NDZENA	HEAD: IC	[Signature]
3. L. DURRHEIM	Snr Manager: Expenditure	[Signature]
4. N. WOTSHA	Snr. Mgr: HRD	[Signature]
5. A. KWAKWENI	AGM: HRD	[Signature]
6. E. X. NOLUBICA	SENIOR MANAGER: EE	[Signature]
7. S. MPENYANA	SENIOR MANAGER: IC	[Signature]
8. N. NKHATA	SM: EE	[Signature]
9. A. RRETZELMAN	FINANCE MANAGER	[Signature]
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

Departmental Engagement (East London, City Hall)

Date...17 March 2026....

NAME	DESIGNATION	SIGNATURE
<b>MPAC Admin Support Staff:</b>		
Ms. Unabo Myoyo	Acting Senior Committee Officer	<i>[Signature]</i>
Ms. Lutho Molose	Admin Support Staff	<i>[Signature]</i>
Ms. Sandisiwe Nobongoza	Admin Support Staff	<i>[Signature]</i>
Ms. Akhona Kim Komani	Committee Secretary	<i>[Signature]</i>
Ms. Gcobisa Gulwa	Committee Secretary	<i>[Signature]</i>
<i>Mr U. Xala</i>	<del>PA to Chairperson</del> Comms Communications PA to chair	<i>[Signature]</i>
<i>MS Emhle Mhlalaka</i>	Communications	
Mr. Luvuyo Jongwana	ICT Technician Practitioner	<i>[Signature]</i>
Ms. Yandiswa Zozo - Lamati	Office Attendant	
Ms. Yandiswa Kwayimani	Office Attendant	
Mr. Sinxolo Fama	Driver / Messenger	
Mr Somila Gwana	Intern - Legal	
<b>Service Provider:</b>		



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...17 March 2026....

Name & Surname	Ward	SIGNATURE
1. Siphotso Gqola	05	
2. Letse Simoyile	05	
3. Thobeka Jakuju	05	
4. Zameka Sizani	27	
5. M. M. Nobuhle	27	
6. Luthando Maki	27	
7. Pholisa	27	
8. Siphemondle Prens	3	
9. Bulhelani Mami	0	
10. Nelubebeto Dzakpo	3	
11. Lunga Mlethu	3	
12. M. Xhakwana	50	
13. S. Sika de	50	
14. Asemahle Kadisi	50	
15. ABONGILE ZILWA	3	
16. N. QAM	AMAKLINDA	
17. D. Ntabeni	50	
18. Z mabuyane	05	
19. Sizob Mamejane	05	
20. Olesethu Borhi	05	
21. Nosiwe Mayu	22	
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**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...17 March 2026....

Name & Surname	Ward	SIGNATURE
1. Puma Tokwe	5	P. Tokwe
2. Phat Ngameli	11	Phat Ngameli
3. Sindiso Manyi	4	Sindiso Manyi
4. Nomonde Jekoga	27	Nomonde Jekoga
5. MFAIYA ZOLEKA	27	Zoleka MFAIYA
6. Faniewa Stuurman	27	F. Stuurman
7. F. Yane	69716	F. Yane
8. T.L Madela	Ward 27	T.L Madela
9. X. Gxwala	3	X. Gxwala
10. Ngaba Mapongwana	3	Ngaba Mapongwana
11. Nombulelo Solani	3	Nombulelo Solani
12. Twa Damalisile	3	Twa Damalisile
13. Esetha Makenkane	3	Esetha Makenkane
14. Julie Tuckervand	10	J. A. Tuckervand
15. Elliot Solandela	50	Elliot Solandela
16. ABULELE NTANTALA	3	Abulele Ntantala
17. Nosikhumbwe Kagile	42	Nosikhumbwe Kagile
18. Zanile Vika	12	Zanile Vika
19. Gert Mngqope	3	Gert Mngqope
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...17 March 2026....

Name & Surname	Ward	SIGNATURE
1. Bulawa Qwebeni	5	
2. Phikwi MSeu	6	
3. Thabisa Gwenu	27	T. Gwenu
4. Mbotyeni Nonthandazo	27	N. Mbotyeni
5. T. Mapalongo	27	T. Mapalongo
6. Amanda Cetywayo	3	
7. YANQA Madondile	3	
8. ZAMELE COBINGLA	48	
9. XOLISWA Fye	N.2.	X Faye
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**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...17 March 2026....

Name & Surname	Ward	SIGNATURE
1. Aminda GORANA	5	A. GORANA
2. RONDISWA TOKO	5	R. TOKO
3. Rrenal Fokwebo	4	R. Fokwebo
4. Nombulelo Nkungwene	4	N. Nkungwene
5. Mjamba Lithalethu	27	M. Jamba
6. Cilizwa Ndahiso	27	C. Ndahiso
7. N. Tunywa	27	N. Tunywa
8. V- APLIEN	27	V. APLIEN
9. Tlanoliwe Guzuba	3	T. Guzuba
10. Okethu. Bani	3	O. Bani
11. Luthando Mashiba	3	L. Mashiba
12. Aphelele Sobasha	50	A. Sobasha
13. K. Heko mangope	3	K. Heko
14. NOKUTHEMBELA NRANDAKA	BCM	N. Nrandaka
15. Chumiso Zweni	BCM	C. Zweni
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**REGISTER AND STATEMENT**

**IMPARTIALITY AND CONFLICT OF INTEREST**

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE DEPARTMENTAL HEARING – CITY HALL**

**DATE: 19 MARCH 2026**

I, the undersigned, hereby declare:

1. That I will not purposefully favour or prejudice anybody in the course of exercising my duties as a member of the Committee.
2. That I will make known details of any private or business interest which I, or any Close family member from participating in such matter and recuse myself.
3. That to the extent that information is sensitive or confidential, I will treat such information provided with discretion, and not disclose or discuss with parties not related thereto.
4. That in appending my signature hereunder, I confirm that I have no conflict of interest in any or all of the items included in the agenda and/or tabled at this meeting unless indicated otherwise in the minutes and have accepted the conditions set above.

<b>MPAC COUNCILLORS</b>	<b>SIGNATURE</b>
MPAC Chairperson: Cllr. M.P Basopu	
Cllr. Phumezo Jaxa	
Cllr. Boy Boy Kalani	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	
Vacant	
Vacant	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

MPAC PUBLIC PARTICIPATION – CITY HALL

DATE: 19 MARCH 2026

ATTENDANCE REGISTER

PORTFOLIO HEAD	DIRECTORATE	SIGNATURE
1. CLLR. TYALI	FINANCE	
2. CLLR. MNYUTE	LOCAL ECONOMIC DEVELOPMENT & AGENCIES	
3. CLLR. MAXONGO	PUBLIC SAFETY & EMERGENCY SERVICES	
4. CLLR. MTYINGIZANE	SPATIAL PLANNING & DEVELOPMENT	
5. CLLR. CAGA	HUMAN SETTLEMENTS	
6. CLLR. MFAZWE	INFRASTRUCTURE SERVICES	
7. CLLR. RALASI	SPORTS RECREATION & COMMUNITY DEVELOPMENT	
8. CLLR. CLARA-YEKISO	SOLID WASTE & ENVIROMENT	
9. CLLR. SAULI	COPORATE SERVICES	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...19 March 2026....

WARD	PARTY	COUNCILLOR'S NAME	SURNAME	SIGNATURE
1	ANC	Kuhle	Ciliza	
2	ANC	Zwelikhanyile Akhona	Dywili	
6	ANC	Lukhanyiso	Mzekeli	
7	ANC	Mkakutta Clara	Morolong-Yekiso	
8	ANC	Kwanele	Majeke	
9	ANC	Mendi	Wetsetse	
10	ANC	Pearl	Hansen	
19	DA	Shandren Marilyn	Hoffman	
31	ANC	Bonisani	Bangani	
32	ANC	Ntombekhaya (Deceased)	Sabana	
33	ANC	Mluleki David	Thomas	
46	ANC	Nceba Wiseman	Kilimani	

PR PAC Ale Gubho  
PR UMY ANEHC Skoti  
PR AIC vusumuzi Tutu



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION: CITY HALL**

**19 MARCH 2026**

**ATTENDANCE REGISTER**

DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Siyabulela Peter	
Chief Operating Officer	Vincent Pillay	
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Infrastructure Services	Nomfanelo Mqoqi - Mondi	
HOD: Corporate Services	Bob Naidoo	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Booi	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Chief Risk Officer	Siyasanga Xoki Mlambe	
Deputy Head: Municipal Courts	Siphatho Handi	
General Manager: Budget	Vuyo Majikijela	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

**MEETING: MPAC PUBLIC PARTICIPATION: CITY HALL**

**19 MARCH 2026**

<b>DESIGNATION</b>	<b>NAME</b>	<b>SIGNATURE</b>
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	<i>O. Mahlangu</i>
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	<i>M. Sotsahna</i>
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
14. General Manager: Budget	Mr. V. Majikijela	
15. General Manager: Fresh Produce Market	Mr. T Mpulu	
16. General Manager: Corporate Assets Management	Mr. T. Madikizela	
17. General Manager: Roads Construction PUI	Mr. S. Sojini	<i>S. Sojini</i>
18. General Manager: Electricity	Mr. R. Ferrier	
19. General Manager: Fleet Management	Mr. Z. Gijana	
20. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
21. General Manager: Solid Waste	Ms. N. Daniel	

22. General Manager: Supply Chain Management	Mr. D. Gwabeni	
23. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
24. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
25. Acting General Manager: Development Planning	Mr. L. Fikizolo	
26. Acting General Manager: Transport Planning	Mr. A. Skwebu	
27. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
28. Head: Enterprise Project Management	Mr. S. Kakaza	
29. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
30. Chief Executive Officer: BCMDA		
31. Operations Manager: City Manager's Office	Mr. S. Nkonki	
32. Program Manager: Speaker's Office	Mr. V. Zatu	
33. Senior Manager: Administrative & Council Support	Ms. J.F. Augustine	
34. Operations Manager: City Manager's Office	Mr. S. Nkonki	
35. Office Manager: City Manager's Office	Ms. A. Qwede	

36. Executive Support  
Public Participation

Nelisiwe Dimegweni

Emile Mhlekwa	comms	<del>Emile Mhlekwa</del>
Sonila Gwama	Intern	<del>Sonila Gwama</del>



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION – CITY HALL**

**DATE: 19 MARCH 2026**

NAME	DESIGNATION	SIGNATURE
1. Zama Ntshong	National Spokesperson ATM	[Signature]
2. Simamkale Bevu	BCMDA Council	[Signature]
3. VUYOKU MBELANI	DIA COFTA DISTRICT S.C.	[Signature]
4. L. MAHINA	EC DAILY NEWS	[Signature]
5. S. Mavundla	BCMDA	[Signature]
6. G. MBINDUANA	HEAD: IKM	[Signature]
7. OSCAR SITYEBI	SAR DEV ENS TEC	[Signature]
8. Siviwe Simani	Manager: Training & Safety	[Signature]
9. CHRIS GOWER	RP MANAGER	[Signature]
10. JAVEL GARD	SAR MANAGER PTD	[Signature]
11. Simelike Gwentshe	SAR MANAGER: ROADS	[Signature]
12. Butelwa Bodla	Acting cm: Mechanical & Plant	[Signature]
13. CIDALI	cm mgabo	[Signature]
14. K. WITBOOI	MANAGER	[Signature]
15. A. GABOLA	BUMMA CEO	[Signature]
16. A. MANGENI	Internal audit	[Signature]
17. Mlu M. L. se	RMO	[Signature]
18. Siya Mamane	SAR Manager: USA	[Signature]
19. N. van Wyk	EM. CS	[Signature]
20. P. Dubell	C.P.	[Signature]
21. S. DZENGWA	RMO	[Signature]
22. KM MASHILOANE	RMO COFTA	[Signature]
23. CRAIG SAM	RMO COFTA	[Signature]



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING:** MPAC PUBLIC PARTICIPATION: CITY HALL

**DATE:** 19 MARCH 2026

NAME	DESIGNATION	SIGNATURE
<b>MPAC Technical Staff:</b>		
Mr. Aphiwe Nkosimbini		
Ms. Yolanda Mfana		
Ms. Zanele Papa		
<b>MPAC Admin Support Staff:</b>		
Ms. <del>B.</del> Nzwana <i>N.</i>	Program Manager	<i>Nzwana</i>
Ms. Unabo Myoyo	Senior Committee Secretary	<i>Unabo</i>
Ms. Akhona Kim Komani	Committee Secretary	<i>Akhona</i>
Ms. Gcobisa Gulwa	Committee Secretary	<i>Gulwa</i>
Ms. Nombulelo Bacela	Personal Assistant to Chairperson	<i>Bacela</i>
Ms. S. Nobongoza	Receptionist	<i>Nobongoza</i>
Ms. L. Molose	Asst. Admin	<i>Molose</i>
Ms. Y. Lamati	Office Attendant	<i>Lamati</i>
Ms. Y. Kwayimani	Office Attendant	<i>Kwayimani</i>
Mr. S. Fama	Driver	<i>Fama</i>
<b>ICT Department</b>		
Mr. L. Jongwana	ICT- <del>Technician</del> Practitioner	<i>Jongwana</i>
<b>Communication Department</b>		





**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...19 March 2026....

DESIGNATION	NAME	SIGNATURE
1. Ward 07	Zodwa	Z. S. S. S.
2. Ward 7	Anathi Mpana	<del>ANA</del>
3. Wrd 7	Thandeka Willie	Thandeka
4. Ward 7	Nonyameko Nkonki	Nonyameko
5. ward 7	Thobeyela	Thobeyela
6. ward 31	SIPHILWA	S.S. SINANI
7. ward 31	N. S. MBUTO	N.S. MBUTO
8. ward 33	B. Kuyajina	B. Kuyajina
9. Ward 33	S. Kaba	S. Kaba
10. Ward 33	MICAMDA	MICAMDA
11. Ward 01	Nomzamo	Nomzamo
12. ward De ONT	Ntombikayse	Ntombikayse
13. WARD 31	SINDISWA NGWAGD	SINDISWA NGWAGD
14. Ward		
15. Ward 9	SISEMDE	SISEMDE
16. Ward 9	VUMOKAZI BUYANI	V. BUYANI
17. Ward 9	R. Uqisoqaba	R. Uqisoqaba
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...19 March 2026....

DESIGNATION	NAME	SIGNATURE
1. Ward 7	WUNELWA	WT
2. Ward 7	Zotwa	ZM
3. Ward 7	NANDIPHA	N A Meje
4. Ward 31	NANDIPHA	
5. Ward 31	Zoleka	
6. WARD 31	THABISO	
7. WARD 7	Buli	
8. WARD 33	ZICHONA	
9. Ward 33	Mocawe	
10. Ward 33	Siphokazi	S. Mtshahane
11. Ward 1	Ihandiswa	I. Mtshahane
12. ward 1	Zimbini	Z. Fakielala
13. Ward 1	Pumza	P. Mtshahane
14. Ward 32	Nolithe Yoli	
15. Ward 9	Yandisa Siko	
16. Ward 9	Vuyokazi Mpanzi	
17. WARD 9	Mteto Mgebele	
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Departmental Engagement (East London, City Hall)

Date...19 March 2026....

DESIGNATION	NAME	SIGNATURE
1. WARD 7	Mtombekaya	NRM
2. WARD 31	PHATHISA	P. Moya
3. WARD 31	ZIYANDA	[Signature]
4. Ward 31	M. Mthwili	[Signature]
5. Ward 35	Siswe Bulye	[Signature]
6. Ward 33	Harris	[Signature]
7. Ward 33	B. Mokoena	[Signature]
8. WARD 31	S. Inketer	[Signature]
9. Ward 01	N. Fozera	[Signature]
10. Ward 9	XISWANA	[Signature]
11. Ward 9	Nomzamo	[Signature]
12. Ward 9	funeke Moya	f. P. Moya
13. Ward 9	Neliswa Deki	N. Deki
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**REGISTER AND STATEMENT**

**IMPARTIALITY AND CONFLICT OF INTEREST**

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE DEPARTMENTAL HEARING – CRAWFORDS  
BEACH LODGE**

**DATE: 23 MARCH 2026**

I, the undersigned, hereby declare:

1. That I will not purposefully favour or prejudice anybody in the course of exercising my duties as a member of the Committee.
2. That I will make known details of any private or business interest which I, or any Close family member from participating in such matter and recuse myself.
3. That to the extent that information is sensitive or confidential, I will treat such information provided with discretion, and not disclose or discuss with parties not related thereto.
4. That in appending my signature hereunder, I confirm that I have no conflict of interest in any or all of the items included in the agenda and/or tabled at this meeting unless indicated otherwise in the minutes and have accepted the conditions set above.

<b>MPAC COUNCILLORS</b>	<b>SIGNATURE</b>
MPAC Chairperson: Cllr. M.P Basopu	
Cllr. Phumezo Jaxa	
Cllr. Boy Boy Kalani	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	
Vacant	
Vacant	





**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

MPAC PUBLIC PARTICIPATION – CRAWFORDS BEACH LODGE

DATE: 23 MARCH 2026

ATTENDANCE REGISTER

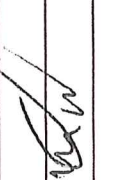
PORTFOLIO HEAD	DIRECTORATE	SIGNATURE
1. CLLR. FAKU	EXECUTIVE MAYOR	
2. CLLR. MAXEGWANA	SPEAKER OF COUNCIL	
3. CLLR. MATWELE	CHIEF WHIP	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**MPAC PUBLIC PARTICIPATION – CRAWFORDS BEACH LODGE      DATE: 23 MARCH 2026**

**ATTENDANCE REGISTER**

PORTFOLIO HEAD	DIRECTORATE	SIGNATURE
1. CLLR. TYALI	FINANCE	
2. CLLR. MNYUTE	LOCAL ECONOMIC DEVELOPMENT & AGENCIES	
3. CLLR. MAXONGO	PUBLIC SAFETY & EMERGENCY SERVICES	
4. CLLR. MTYINGIZANE	SPATIAL PLANNING & DEVELOPMENT	
5. CLLR. CAGA	HUMAN SETTLEMENTS	
6. CLLR. MFAZWE	INFRASTRUCTURE SERVICES	
7. CLLR. RALASI	SPORTS RECREATION & COMMUNITY DEVELOPMENT	
8. CLLR. CLARA-YEKISO	SOLID WASTE & ENVIROMENT	
9. CLLR. SAULI	COPORATE SERVICES	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Meeting: MPAC PUBLIC PARTICIPATION: CRAWFORDS BEACH LODGE

Date: 23 MARCH 2026

DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Vincent Pillay	
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Infrastructure Services	Nomfanelo Mqqqi - Mondi	
HOD: Corporate Services	Bob Naidoo	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Boo	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Chief Risk Officer	Siyasanga Xoki	
Deputy Head: Municipal Courts	Siphatho Handi	
General Manager: Budget	Vuyo Majikijela	
Programme Manager: Monitoring & Evaluation	Steve Batyi	

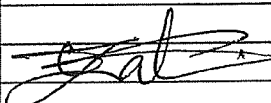
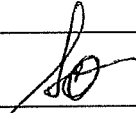


**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Meeting: MPAC PUBLIC PARTICIPATION: CRAWFORDS BEACH LODGE

Date: 23 MARCH 2026

DESIGNATION	NAME	SIGNATURE
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	<i>[Handwritten Signature]</i>
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	<i>[Handwritten Signature]</i>
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
14. General Manager: Budget	Mr. V. Majikijela	
15. General Manager: Fresh Produce Market	Mr. T Mpulu	
16. General Manager: Coporate Assest Managment	Mr. T. Madikizela	
17. General Manager: Roads Construction PUI	Mr. S. Sojini	

18. General Manager: Electricity	Mr. R. Ferrier	
19. General Manager: Revenue Management	Mr. S. Peter	
20. General Manager: Fleet Management	Mr. Z. Gijana	
21. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
22. General Manager: Solid Waste	Ms. N. Daniel	
23. General Manager: Supply Chain Management	Mr. D. Gwabeni	
24. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
25. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
26. Acting General Manager: Development Planning	Mr. L. Fikizolo	
27. Acting General Manager: Transport Planning	Mr. A. Skwebu	
28. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
29. Head: Enterprise Project Management	Mr. S. Kakaza	
30. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
31. Chief Executive Officer: BCMDA		
32. Programme Manager: Speaker's Office	Mr. V. Zatu	
33. Senior Manager: Administrative & Council Support	Ms. J.F. Augustine	
34. Operations Manager: City Manager's Office	Mr. S. Nkonki	
35. Risk Manager: City Manager's Office	Ms. S. Mhambi	
36. Office Manager: City Manager's Office	Ms. A. Qwede	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC PARTICIPATION – CRAWFORDS BEACH LODGE**

**DATE: 23 MARCH 2026**

	NAME	DESIGNATION	SIGNATURE
1.	Rob Perraci	AAoS Electricity Through	[Signature]
2.	CHRIS GOWAT	RP MANAGER Electricity	[Signature]
3.	Sarel Gado	Senior Manager: PM/PA	[Signature]
4.	Vuyolazi Mbela	Cogta District Director	[Signature]
5.	Sivuse Simani	Act Sme Manager Electricity	[Signature]
6.	Pulelwa Bodlo	Act GM: Mechanical & Fleet	[Signature]
7.	Sandile Sojini	GM: Roads, Constr + Proj	[Signature]
8.	Maseko Mosemnyane	SM: Fleet	[Signature]
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**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING:** MPAC ANALYSIS OF THE ANNUAL REPORT  
COMPILATION WORK SESSION – CRAWFORDS BEACH LODGE

**DATE:** 23 MARCH 2026

NAME	DESIGNATION	SIGNATURE
<b>MPAC Technical Staff:</b>		
Mr. Aphiwe Nkosimbini	Deputy Head: Legal Services	<i>[Signature]</i>
Ms. Yolanda Mfana		
Ms. Zanele Papa		
<b>MPAC Admin Support Staff:</b>		
Ms. S. Nzwana	Program Manager	<i>[Signature]</i>
Ms. Unabo Myoyo	Senior Committee Officer	<i>[Signature]</i>
Ms. Akhona Kim Komani	Committee Secretary	<i>[Signature]</i>
Ms. Gcobisa Gulwa	Committee Secretary	<i>[Signature]</i>
Ms. Nombulelo Bacela	Personal Assistant to Chairperson	<i>[Signature]</i>
<b>ICT Department</b>		
Mr. L. Jongwana	ICT Practitioner	<i>[Signature]</i>
<b>Communication Department</b>		
Emihle Mhlatsheni	Comms Assistant	<i>[Signature]</i>

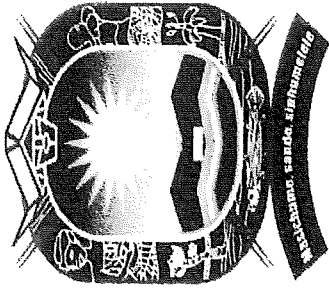


**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

**MEETING:** MPAC PUBLIC HEARINGS – MPEKWENI BEACH RESORT

**DATE:** 21 APRIL 2026

MPAC COUNCILLORS	SIGNATURE
MPAC Chairperson: Cllr. M.P Basopu	
Cllr. Phumezo Jaxa	
Cllr. Boy Boy Kalani	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	
Vacant	
Vacant	

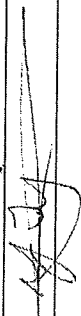


**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**MPAC PUBLIC HEARING – MPEKWENI BEACH RESORT**

**DATE: 21 APRIL 2026**

**ATTENDANCE REGISTER**

PORTFOLIO HEAD	DIRECTORATE	SIGNATURE
1. CLLR. TYALI	FINANCE	
2. CLLR. MNYUTE	LOCAL ECONOMIC DEVELOPMENT & AGENCIES	
3. CLLR. MAXONGO	PUBLIC SAFETY & EMERGENCY SERVICES	
4. CLLR. MTYINGIZANE	SPATIAL PLANNING & DEVELOPMENT	
5. CLLR. CAGA	HUMAN SETTLEMENTS	
6. CLLR. MFAZWE	INFRASTRUCTURE SERVICES	
7. CLLR. RALASI	SPORTS RECREATION & COMMUNITY DEVELOPMENT	
8. CLLR. CLARA-YEKISO	SOLID WASTE & ENVIROMENT	
9. CLLR. SAULI	COPORATE SERVICES	



**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

MEETING: MPAC PUBLIC HEARING – MPEKWENI BEACH LODGE

DATE: 21 APRIL 2026

NAME	DESIGNATION	SIGNATURE
<b>MPAC Technical Staff:</b>	Deputy Head: Contracts + Litigation	<i>[Signature]</i>
Mr. Aphiwe Nkosimbini		
Ms. Yolanda Mfana		
Ms. Zanele Papa		
Mr. Somifa Gwama	Legal Intern	<i>[Signature]</i>
<b>MPAC Admin Support Staff:</b>		
Ms. N. Nzwana	Program Manager	<i>[Signature]</i>
Ms. Akhona Kim Komani	Committee Secretary	<i>[Signature]</i>
Ms. Gcobisa Gulwa	Committee Secretary	<i>[Signature]</i>
Ms. Nombulelo Bacela	Personal Assistant to Chairperson	
<b>ICT Department</b>		
Mr. L. Jongwana	ICT Practitioner	<i>[Signature]</i>
<b>Communication Department</b>		
Mbulelo Feni	Media	<i>[Signature]</i>
Yazini Kuse	Communications (BCM)	<i>[Signature]</i>
Xokle Bengese	Communications (RCM)	<i>[Signature]</i>



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Meeting: MPAC PUBLIC HEARINGS: MPEKWENI BEACH LODGE

Date: 21 APRIL 2026

DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Vincent Pillay	
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Infrastructure Services	Nomfanelo Mqoqi - Mondi	
HOD: Corporate Services	Bob Naidoo	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Booi	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Chief Risk Officer	Siyasanga Xoki	
Deputy Head: Municipal Courts	Siphatho Handi	
General Manager: Budget	Vuyo Majikijela	

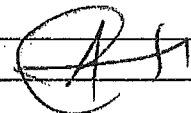
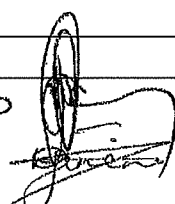


**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE LIST**

Meeting: MPAC PUBLIC HEARINGS: MPEKWENI BEACH LODGE

Date: 21 APRIL 2026

<b>DESIGNATION</b>	<b>NAME</b>	<b>SIGNATURE</b>
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
14. General Manager: Budget	Mr. V. Majikijela	
15. General Manager: Fresh Produce Market	Mr. T Mpulu	
16. General Manager: Corporate Assets Management	Mr. T. Madikizela	
17. General Manager: Roads Construction PUJ	Mr. S. Sojini	
18. General Manager: Electricity	Mr. R. Ferrier	
19. General Manager: Revenue Management	Mr. S. Peter	

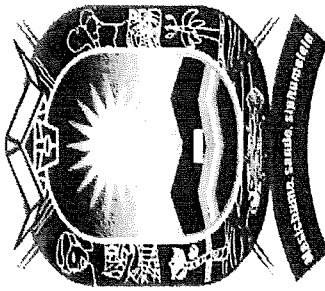
20. General Manager: Fleet Management	Mr. Z. Gijana	
21. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
22. General Manager: Solid Waste	Ms. N. Daniel	
23. General Manager: Supply Chain Management	Mr. D. Gwabeni	
24. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
25. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
26. Acting General Manager: Development Planning	Mr. L. Fikizolo	
27. Acting General Manager: Transport Planning	Mr. A. Skwebu	
28. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
29. Head: Enterprise Project Management	Mr. S. Kakaza	
30. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
31. Chief Executive Officer: BCMDA	<del>Mr. A. Gwabeni</del>	
32. Programme Manager: Speaker's Office	Mr. V. Zatu	
33. Operations Manager: City Manager's Office	Mr. S. Nkonki	
34. Risk Manager: City Manager's Office	Ms. S. Mhambi	
35. Office Manager: City Manager's Office	Ms. A. Qwede	

36. BCMDA EM: PPDm

Dr S.M. MALONGO

37. BCMDA: Executive Assistant

Ms. M. Tengimfene




**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

MPAC PUBLIC HEARING – MPEKWENI BEACH LODGE

DATE: 21 APRIL 2026

ATTENDANCE REGISTER



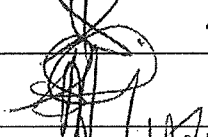
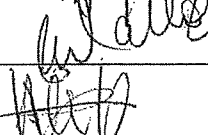
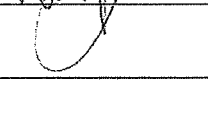
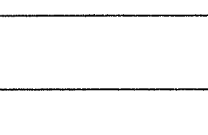


<u>PORTFOLIO HEAD</u>	<u>DIRECTORATE</u>	<u>SIGNATURE</u>
1. CLLR. FAKU	EXECUTIVE MAYOR	
2. CLLR. MAXEGWANA	SPEAKER OF COUNCIL	
3. CLLR. MATWELE	CHIEF WHIP	

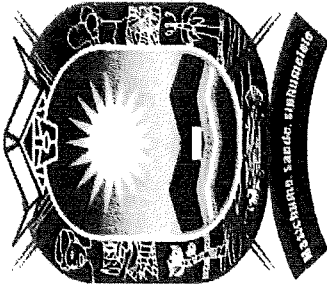


**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

MEETING: MPAC PUBLIC HEARING – MDANTSANE COMMUNITY HALL N.U 12

DATE: 24 APRIL 2026

MPAC COUNCILLORS	SIGNATURE
MPAC Chairperson: Cllr. P.M Basopu	
Cllr. Phumezo Jaxa	
Cllr. Boy Boy Kalani	
Cllr. Vuyokazi Siboyana	
Cllr. Mandisa Mashiya	
Cllr. Geoffery Walton	
Cllr. Anathi Majeke	
Cllr. Mziyanda Hlekiso	
Vacant	
Vacant	

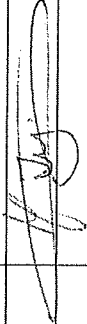


**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

MPAC PUBLIC HEARING – MDANTSANE COMMUNITY HALL N.U 12

DATE: 24 APRIL 2026

ATTENDANCE REGISTER

PORTFOLIO HEAD	DIRECTORATE	SIGNATURE
1. CLLR. TYALI	FINANCE	
2. CLLR. MNYUTE	ECONOMIC DEVELOPMENT & AGENCIES	
3. CLLR. MAXONGO	PUBLIC SAFETY & EMERGENCY SERVICES	
4. CLLR. MTYINGIZANE	SPATIAL PLANNING & DEVELOPMENT	
5. CLLR. CAGA	HUMAN SETTLEMENTS	
6. CLLR. MFAZWE	INFRASTRUCTURE SERVICES	
7. CLLR. RALASI	SPORTS RECREATION & COMMUNITY DEVELOPMENT	
8. CLLR. CLARA-YEKISO	SOLID WASTE & ENVIROMENT	
9. CLLR. SAULI	COPORATE SERVICES	



**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

**MEETING:** MPAC PUBLIC HEARING – MDANTSANE COMMUNITY HALL N.U. 12

**DATE:** 24 APRIL 2026

NAME	DESIGNATION	SIGNATURE
<b>MPAC Technical Staff:</b>		
Mr. Aphiwe Nkosimbini		
Ms. Yolanda Mfana		
Ms. Zanele Papa		
<b>MPAC Admin Support Staff:</b>		
Ms. S. Nzwana	Program Manager	
Ms. Akhona Kim Komani	Committee Secretary	
Ms. Gcobisa Gulwa	Committee Secretary	
Ms. Nombulelo Bacela	Personal Assistant to Chairperson	
Ms. Lutho Molose	Admin Asst.	
Mr. Somila Gwana	Intern	
Mr. Sinoxolo Fama	Messenger	
Ms. Yandiswa Kwaaiman	Office Attendance	
<b>ICT Department</b>		
Mr. L. Jongwana	ICT Practitioner	
<b>Communication Department</b>		
Xolile Benecza	Communication officer	
Unam Xala	Communication Assistant	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Meeting: MPAC PUBLIC HEARINGS: MDANTSANE COMMUNITY HALL N.U.12

Date: 24 APRIL 2026

DESIGNATION	NAME	SIGNATURE
City Manager	Mxolisi Yawa	
Acting Chief Financial Officer	Siyabulela Peter	
Chief Operating Officer	Vincent Pillay	<i>[Signature]</i>
HOD: Executive Support Services	Ncumisa Sidukwana	
HOD: Infrastructure Services	Nomfanelo Mqoqi - Mondi	
HOD: Corporate Services	Bob Naidoo	
HOD: Sport/ Recreation & Development	Howard Sikweza	
HOD: Solid Waste & Environmental Services	Yoliswa Sinyanya	
HOD: Economic Development & Agencies	Noludwe Ncokazi	
HOD: Spatial Planning & Development	Sandile Boo	
HOD: Public Safety & Emergency Services	Adv. Mzimba	
HOD: Human Settlements	Luyanda Mbula	
Chief Risk Officer	Siyasanga Xoki	
Deputy Head: Municipal Courts	Siphatho Handi	
General Manager: Budget	Vuyo Majikijela	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE LIST**

Meeting: MPAC PUBLIC HEARINGS: MDANTSANE COMMUNITY HALL N.U 12

Date: 24 APRIL 2026

DESIGNATION	NAME	SIGNATURE
1. General Manager: Corporate Services	Mr. M. Mene	
2. General Manager: Office of Executive Mayor and office the Deputy Mayor	Mr. M. Satyi	
3. General Manager: Communications and Development Co-Operation	Ms. O. Mahlangu	
4. General Manager: Speaker and Chief Whip's Office	Mr. M. Sotsahna	
5. General Manager: Human Resources Management	Mr. Z. Shweni	
6. General Manager: Property Management	Mr. S. Bam	
7. General Manager: Public Safety	Dr. N. Stemele	
8. General Manager: IDP/PMS/GIS	Ms. N. Frans	
9. General Manager: Expenditure	Mr. Xoseka	
10. General Manager: Environment Management	Mr. W. Mpotulo	
11. General Manager: Office of the City Manager	Mr. W.G. Goba	
12. General Manager: Human Resources Performance & Development	Mr. Z. Ndlela	
13. General Manager: Trade Industry & Sector Development	Ms. X. Majiza	
14. General Manager: Budget	Mr. V. Majikijela	
15. General Manager: Fresh Produce Market	Mr. T Mpulu	
16. General Manager: Corporate Assets Management	Mr. T. Madikizela	
17. General Manager: Roads Construction PUI	Mr. S. Sojini	

18. General Manager: Electricity	Mr. R. Ferrier	
19. General Manager: Revenue Management	Mr. S. Peter	
20. General Manager: Fleet Management	Mr. Z. Gijana	
21. General Manager: Library, Halls & Resorts	Mr. M.N. Marata	
22. General Manager: Solid Waste	Ms. N. Daniel	
23. General Manager: Supply Chain Management	Mr. D. Gwabeni	
24. General Manager: Housing Planning & Strategy	Mr. A. Mshumpela	
25. General Manager: Water & Sanitation Services	Mr. M. Nongogo	
26. Acting General Manager: Development Planning	Mr. L. Fikizolo	
27. Acting General Manager: Transport Planning	Mr. A. Skwebu	
28. Acting General Manager: Technical Implementation	Mr. N. Ngonyama	
29. Head: Enterprise Project Management	Mr. S. Kakaza	
30. Deputy Head: Legal Services and Municipal Courts	Mr. S. Handi	
31. Programme Manager: Speaker's Office	Mr. V. Zatu	
32. Operations Manager: City Manager's Office	Mr. S. Nkonki	
33. Risk Manager: City Manager's Office	Ms. S. Mhambi	
34. Office Manager: City Manager's Office	Ms. A. Qwede	
35. Chief Executive Officer: BCMDA	MR. A. Gqoboka	
36. EM: PPDM: BCMDA	Dr. S. M. Mhlongo	
37. Executive Assistance: BCMDA	Ms. M. Tengimfene	

38. Chief financial officer Mr. S. Mavundla  
 39. Executive manager: strategy & Risk Sisonke Mubw



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
BUFFALO CITY METROPOLITAN MUNICIPALITY  
ATTENDANCE REGISTER**

**MEETING: MPAC PUBLIC HEARINGS – MDANTSANE COMMUNITY HALL N.U 12**

**DATE: 24 APRIL 2026**

NAME	DESIGNATION	SIGNATURE
1. Nomathemba Mhlawuli	Ward 30	N MHLAWULI
2. MATILAA NTSALI	Ward 30	M. Ntsali
3. NELSON BANTWA	WARD 30	NELSON
4. Mawu Ntshona	Ward 30	Mawu Ntshona
5. Maysamezeli boyi	30	M.B
6. Thembinkosi Tshaka	30	Tshaka
7. MTHUNZI NTEZULI	30	M N.
8. Saphokazi Marona	30	S. Marona
9. Nonfundo Jemente	AS30	Nonfundo
10. Mbulelo Danjwa	30	X
11. Mavis yMakepe	30	Mavis
12. D Nonyang	30	D Nonyang
13. Fundisile Soga	30	X
14. NONDAME MONTLEWA	30	NONDAME
15. Dumiso Tshani	30	Dumiso
16. SILIMELA NYSETU	30	SILIMELA
17. Litha Sela	30	Litha
18. LUYANDA ZUKAN	30	LUYANDA
19. R ntabeji	30	R ntabeji
20. Zingiswa TOYISE	30	Z. TOYISE
21. WISEMBA MLAKA	30	WISEMBA
22.		
23. Nozibele NELANI	30	NELANI

24.	Noziwe Luto	Ward 30	<i>[Signature]</i>
25.	Sicelo Eze	Ward 40	<i>[Signature]</i>
26.	Vuyelwa <del>HENDRICKS</del>	Ward 40	<del><i>[Signature]</i></del>
27.	Doreas Horner	Ward 30	D.H



**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

MEETING: MPAC PUBLIC HEARING: MDANTSANE COMMUNITY HALL N.U 12

DATE: 24 MARCH 2026

NAME	WARD NUMBER	SIGNATURE
Phaxolo Njema	11	
ALBERT CHOET	30	
MELANI ANDISIWE	32	
NKOSINATHI MVAHDABA	32	
T. WELLINGTON NOKO	30	
LINDILE SINYONGO	30	Bunyango
Linethi Gobozi	30	
TWANDA MATHEZI	30	
Nompumelelo MHLATHLO	30	Mhlathlo
MTWUZELI Dama Ndama	30	112. HP
Ayabonga Mkhizana	36	
Nomonde Komfi	30	N Komfi
Nobesuthu Litye	30	Litye
Thebita Qhento	48	
Notshadathu Tomsene	30	C. Tomsene
ALFRED TAJULA	30	
Noluthando Tjane	30	
ZAMILE Peter	30	
NONATEMBA ALAKEY	30	A. Alakev
Mandiphi Tyendiso	30	N Tyendiso
Olwethu Mabemba	30	
NONANI MASHIBINI	30	
Anathi Mafaya	30	
Nandipha Mafaya	30	N. mafaya
N. BIKANI	30	Bikani
Zandile Bomani	48	
VELISWA MTUNZI	48	





**BUFFALO CITY**  
**METROPOLITAN MUNICIPALITY**  
**BUFFALO CITY METROPOLITAN MUNICIPALITY**  
**ATTENDANCE REGISTER**

MEETING: MPAC PUBLIC HEARING: MDANTSANE COMMUNITY HALL N.U 12

DATE: 24 MARCH 2026

NAME	WARD NUMBER	SIGNATURE
Phomiso Nyikanes	30	
VASINI MNCEDI	30	
Sibahle kwana	30	
SIPHO NGUMTI	30	
Nompungo Mzimkulu	30	
isigqibo Fordie	48	
Lulama Ntamo	40	
Mengameli Zuzala	40	
Mbuyiseho Nxamp	30	
Nomisa Sibutya	30	
Nolile Ntoli	30	
P. AFRICA Tanti	30	
Mkhanyiseli SOJOLA	30	
Axolo Mtika	30	
Khololeka - KMohlakala	30	
Buyekawa Xhakalasha	30	
Mink Maxeke	30	
Yekiwe Shwati	30	X
GCASAMBA MONTSHKELEW	40	
SAKUMZI KAMI	30	
NUSOMZI MATHEMOMZI	30	
SOMIKAZI BARI	30	
VUSUMZI KRAM	30	
Thaty e Iwa Peter	30	
Sibhakad. Kitho	30	
CHRISTIAN GARDUSIKA	30	
ZANANISILE DUMERWANI	30	



**ANNEXURE "C"**



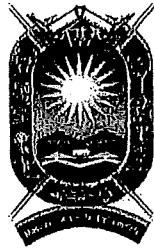
**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**AGENDA**

**MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE  
MEETING**

**17 FEBRUARY 2026**

**10:00AM**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

## **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Notice is hereby given that the **ANALYSIS OF THE ANNUAL REPORT 2024/2025** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026, will be held on

**From the 17 till 19 February 2026**

at

**10:00 A.M**

at

**MPEKWENI BEACH RESORT**

**COUNCILLOR: S.W. CAGA**

**CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

UM

(SUBAGENDAS/2026/MPAC)

265 Oxford Street,  
EAST LONDON  
15 February 2026

**MEMBERS:** (10)

**QUORUM**

Councillors:	S. Caga	(Chairperson)
	M. Hlekiso	
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	M. Nyusile	
	B. Sauli	
	V. Siboyana	
	G. Walton	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**A G E N D A for the SECOND (2<sup>ND</sup>) In Committee Meeting**

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Apologies.
4. Adoption of Agenda/Matters of Exigency.
  
- 5 **MATTERS OUTSTANDING** from the previous meetings of the Municipal Public Accounts Committee.

ITEM NO.	ITEMS	PAGE NO.
5.1	<u>CONSIDERATION OF THE DRAFT REPORT FOR THE INVESTIGATIONS OF THE IRREGULAR EXPENDITURE FOR THE 2024/2025 FINANCIAL YEAR</u>	
5.2	<u>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) REVISED TERMS OF REFERENCE</u>	
5.3	<u>ANNUAL REPORT ANALYSIS DRAFT WORK PLAN</u>	

6. CLOSURE



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**NOTES of the WORK SESSION,  
ANALYSIS of the ANNUAL  
REPORT for the 2024/2025  
FINANCIAL YEAR of the  
MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE of BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
held on 17-19 February 2026 at 09:  
00A.M at MPEKWENI BEACH  
RESORT.**

**TUESDAY, 17 FEBRUARY 2026**

**DAY 1:**

**PRESENT:**

Councillors: S.W. Caga (Chairperson)  
G.K. Walton  
P. Jaxa  
B. Kalani  
V. Siboyana  
M. Mashiya  
A. Majeke

(7)

**ABSENT:**

Councillors: M. Hlekiso  
B. Sauli

(3)

OFFICIALS:

City Manager:	(Mr. M. Yawa)
Acting Chief Financial Officer:	(Mr. V. Pillay)
Head of Directorate: Executive Support Services	(Ms. N. Sidukwana)
Head of Directorate: Corporate Services	(Mr. B. Naidoo)
Head of Directorate: Sport/Recreation & Development	(Mr. H. Sikweza)
Head of Directorate: Solid Waste & Environmental Services	(Ms. Y. Sinyanya)
Head of Directorate: Spatial Planning & Development	(Ms. S. Booii)
Head of Directorate: Human Settlement	(Mr. L. Mbula)
Head of Directorate: Infrastructure Services	(Ms. N. Mqoqi-Mondi)
General Manager: Property Management	(Mr. S. Bam)
General Manager: Electricity	(Mr. R. Ferrier)
General Manager: Water & Sanitation Services	(Mr. M. Nongogo)
Acting General Manager: Transport Planning	(Mr. A. Skwebu)
Head: Governance and Internal Audit	(Ms. C. Dali)
Operations Manager: City Manager's Office	(Mr. S. Nkonki)
Senior Committee Secretary: MPAC	(Ms. U. Myoyo)
Committee Secretary: MPAC	(Ms. A. Komani)
Committee Secretary: MPAC	(Ms G. Gulwa)
Personal Assistant : MPAC	(Ms. Z Matika)
Receptionist:	(Ms. S. Nobhongoza)
ICT	(Mr. L. Jongwana)
Communications	(Mr. U. Xala)
Communications	(Ms. L. Mnukwa)

IN ATTENDANCE:

Director: Cogta	(Ms. V. Mbelani)
Chief Executive Officer: BCMDA	(Mr. A. Gqoboka)
Manager: Auditor General of SA	(Mr. D. Erasmus)
General Manager: ES	(L. Mnxulwa)
EM: Strategy & Risk	(Ms. S. Mvubu)
EM:PPDM – BCMDA	(Dr. S.M. Mhlongo)
Chief Executive Officer – BCMDA	(Mr. S. Mavundla)
RMO Member	(Mr. P. Zitumane)

1. OPENING REMARKS

The Chairperson welcomed everyone present and handed over to the representative from Auditor General South Africa (AGSA) to present the AG report.

2. AUDITOR GENERAL SOUTH AFRICA PRESENTATION (AGSA)

**[AG report attached hereto for ease of reference.]**

The representative stated that during this period, oversight must advocate for progress in ensuring that all employees are subjected to performance agreements. If we everyone wanted a performing institution, this cannot be achieved without performance agreements being in place. This is therefore a critical institutional priority. We will also address external investigations as summarized in the audit report. The status of all external investigations has been tabulated and included in the registers previously presented. These matters form part of the management report submitted to municipal leadership, together with implementation timelines.

He went on to saying that oversight structures must monitor progress against these recommendations and obtain feedback from management regarding implementation. Similarly, council must continue monitoring the performance culture within leadership structures. Greater emphasis was previously placed on managing the audit process itself rather than strengthening the control environment — including proper recording, processing, and reporting of asset transactions. He stated that focus must shift toward strengthening these controls. Compliance with GRAP 17 is highly technical, and staff must fully understand the standard to ensure transactions are recorded correctly throughout the financial year.

Furthermore, he said that such considerations were presented for Council's attention.

The Chairperson then opened the meeting for any comments.

Cllr Mashiya thanked the presenter from the Office of the Auditor-General South Africa. He indicated that the issues raised in this presentation are matters we have consistently raised with management for a long time. The findings are repetitive. Many of these issues have appeared over the past three years and continue to

reappear. This indicates that the audit action plan is not effectively addressing root causes. We repeatedly request management to review the audit action plan so that findings do not recur, yet the same matters persist and continue contributing to audit qualifications. The Auditor-General speaks about activating the accountability ecosystem. That is precisely what we have been advocating — addressing current realities to move the municipality out of qualification status. There appears to be a culture of non-performance tolerated by senior management. The tone at the top is not established. Officials focus more on managing the audit process than correcting underlying control deficiencies. Contract management issues continue to result in irregular expenditure. Poor project planning, unstable IT systems, and recurring governance failures remain unresolved despite repeated warnings.

Furthermore, he stated another concern being the amount spent on consultants. Millions are spent externally due to alleged skills shortages, yet there is little value for money, as outcomes remain unchanged. I am not asking questions; I am expressing frustration because improvement is not visible.

The Chairperson indicated that all the frustrations are noted and reflect serious institutional problems. The member is expressing concerns from an oversight perspective, indicating that progress is insufficient.

Cllr Majeke stated that was worrying that we continue repeating the same discussions without improvement. We are stagnant, and stagnation itself is problematic. The presentation refers to characteristics of an effective local government culture, including responsiveness, accountability, transparency, and swift consequences for poor performance. Unfortunately, these characteristics are lacking. Council members often learn information through media rather than official channels. There is insufficient transparency and withholding of information. Even publishing legally required documents on the municipal website required persistent intervention. The absence of the Head of Risk Management today is itself a concern, given the number of risks highlighted by the Auditor-General. Risk management's role and independence must be clarified.

Furthermore, she said that the municipality must remain accountable not only locally but also to provincial and national oversight structures. Responses to legislative queries are often inadequate. Regarding procurement deviations, while legally permitted, they should not result from poor planning or weak contract management. Deviations are becoming routine rather than exceptional.

Cllr Majeke emphasised that Consultants' performance is also concerning. Their work is not adequately reviewed, responsibilities are unclear, and monitoring mechanisms appear ineffective. Does the municipality have a functioning monitoring and evaluation system? The IT environment remains weak. Simple governance tools, such as a resolution tracking system, could easily be implemented but are absent. She went on saying that Housing project delays demonstrate poor interdepartmental coordination. Policies may exist but are not operationalized effectively. Finally, the indigent register presents serious risks. Invalid beneficiaries received services amounting to significant financial losses. Integration with national databases has long been promised but not implemented. She highlighted that subsidy thresholds being followed, and matters are not reported to Council.

The Chairperson stated that committee members are reminded that detailed questions directed to management will be addressed during departmental engagements. For now, we note the issues raised.

Cllr Walton thanked the Auditor-General for a comprehensive report. Saying that the committee must acknowledge improvements in financial reporting, although we remain dissatisfied overall. Firstly, clarity is required regarding the reported dispute around procurement deviations. The committee has never opposed deviations where justified; our concern is why poor planning creates the need for them. Secondly, regarding material irregularities, what is meant by escalation to the next stage, and what are the implications? Unauthorized expenditure also raises concern, particularly R530.2 million relating to depreciation and amortization. What impact does this have on the credibility of the approved municipal budget? Contract management failures are alarming. Financial losses occurred where retention funds and guarantees were insufficient or absent. How are contractors allowed to operate without valid performance guarantees?

Historically, Cllr Walton indicated that guarantees were verified and securely managed. Moreover, he said that Coordination between technical, legal, and financial departments appears weak. Asset management issues may present long-term challenges dating back many years. While revenue management improvements are welcomed, the “going concern” section is deeply worrying. The report refers to a “close call,” indicating financial stress. Risks include poor revenue collection, liquidity constraints, and growing liability pressures. Cllr Walton indicated that his question was: when will these risks become critical for the municipality? It appears the danger is approaching rapidly.

The Chairperson mentioned that the concerns are noted. Members are encouraged to continue engagements during departmental sessions.

Cllr Jaxa stated that Much of what he intended to raise has already been covered by previous speakers regarding governance, accountability, and management performance. He then emphasized that the recurring nature of these findings demonstrates that corrective actions are either not implemented or not sustained. Saying that oversight structures cannot continue receiving identical findings year after year without measurable improvement. Internal controls must operate consistently throughout the financial year and not only during audit preparation periods. Officials must assume ownership of their responsibilities, and consequence management must follow where failures occur.

Furthermore, he highlighted that many audit findings point to departments operating in silos. Lack of coordination results in project delays, financial inefficiencies, and compliance failures. Strengthening interdepartmental planning and monitoring must therefore become a priority.

The Chairperson stated that concerns raised by members reflect the seriousness of the matters before this committee. The Auditor-General’s findings must guide corrective action, and management will be expected to respond comprehensively during subsequent engagements. He then said Members are reminded that detailed interrogations will take place during departmental oversight sessions,

where management will present responses and implementation plans. I now invite representatives from the Office of the Auditor-General to respond to the general comments raised.

Representative: Office of the Auditor-General thanked the Chairperson and went on to saying they (AGSA) acknowledge the concerns expressed by members. Recurring findings generally indicate that root causes have not been adequately addressed. While improvements in financial reporting are noted, sustainable progress requires strengthening the control environment, accountability mechanisms, and consequence management practices. Regarding procurement deviations, he said that the concern was not the legality of deviations themselves but the planning deficiencies that lead to their repeated use. Improved procurement planning and contract management would significantly reduce risks relating to irregular expenditure. On material irregularities, escalation to the next stage occurs where corrective action is insufficient. In such cases, the Auditor-General may exercise additional powers, including issuing directives for recovery processes or referring matters to relevant authorities. The intention remains corrective, but accountability is essential.

With regards to the ongoing-concern assessment, the municipality is not currently in a crisis position; however, financial indicators show increasing pressure. Improvements in revenue collection, liquidity management, and expenditure control are required to prevent future financial distress.

The Chairperson thanked the Auditor-General's office for the clarification. Members, the issues raised today will inform the committee's recommendations and follow-up actions. He then said that the Secretariat will compile resolutions arising from this engagement, and departments will be required to respond within prescribed timelines. If there are no further inputs, we will proceed to the next item on the agenda.

### 3. AUDIT AND GOVERNANCE DISCUSSION

The Head of Governance and Internal Audit presented the report of the Audit Committee in the absence of the Audit Committee Chairperson.

**[Presentation of the Audit Committee is attached for ease of reference]**

Cogta Director sought clarity that in the programme it is indicated that there is a presentation of the Audit Committee. She went on to questioning their role of internal auditors and as so far, the Chairperson's role in budget committee. She went on to saying that it is expected to be the Audit Chairperson advising Council on the annual data findings on the annual report. I think the Audit Committee has represented the referendum in a manner I would have expected. She went on to saying that a category of this nature, at least one of the representatives should be present here. She said that this is a matter that must be raised strongly. As Cogta they were not suggesting that they are weak or that there are no challenges next year, but regarding the entity, I was here about that.

The Chairperson in response to the absence of the Audit Committee Chairperson, indicated that the Audit Committee Chair is supposed to be in this meeting, as we normally invite from the Office, invite both Internal Audit as well as the Audit Committee Chairperson. however, in my conversation with the Head of Governance and Internal Audit, somehow, he did not receive the communication that he was supposed to be in this meeting. So, in terms of the information, I cannot apportion blame to him if he says he did not receive the information indicating that he was expected in the meeting. Already, in our invitation — which is done by the Office — we attach the programme and send it to both offices, Internal Audit as well as the person invited. I think we indicated that these are the three people who would be doing presentations in the session.

The Chairperson stated that this issue of Internal Audit affects the Audit Committee, and it is concerning, as Members are raising. He also said that first

and foremost, during this financial year the committee saw the resignation of the Audit Committee Chairperson, and the current one is temporary. That was also concerning, considering all the issues he was raising as a result of tendering his resignation. The Chairperson stated that there was a problem in that space. Whatever the circumstances, it cannot lead to a situation where the entire Audit Committee Chairperson resigns. He went on to saying that during the time they were working together and unpacking that entity, you would see that the individual understood his responsibilities. He would advise even on issues that we considered critical — issues that the entity is battling with in trying to turn things around within the institution. The Chairperson stated that it was important for him to raise the fact that they are highlighting this gap that exists in the Audit Committee. Obviously, these are issues which management, including the Executive, must deal with, ensuring that someone is operating effectively as the Chairperson of that committee. I understand that there are challenges that were faced by the previous presentation of the Chairperson. I think we are done with that matter.

The Chairperson stated that the meeting has come to the end. The presentation were done. The Office of the Audit Committee is not here, as this presentation was going to be done by them, but we are now done with the work of today. He took the opportunity to thank the Office of the Auditor-General for their presentation, which was much clearer than the one presented to Council, because we do see more detail insofar as some areas of the report are concerned. Thanked Director: Cogta for the insights and guidance in the meeting, as well as colleagues from the RMO, Ms Zituman and Ms Jay. He further thanked the City Manager and his team for their presence. Most importantly, he thanked the Committee and how they engaged with the matters presented. Raising hope that matters raised will be beginning to change going forward.

**(Meeting adjourned time being 16:00 p.m)**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**  
**WORK SESSION: ANALYSIS OF THE ANNUAL REPORT 2024/25 FY**  
**MPEKWENI BEACH LOGDE**  
**17-20 February 2026**

**PROGRAMME: 17 FEBRUARY 2026**

**DAY 1**

09:00 -09:30	OPENING AND READING OF THE NOTICE	CHAIRPERSON: CLLR. S.W. CAGA
09:30 -09:45	ADOPTION OF THE PROGRAMME	ALL
10:00 - 11:00	PRESENTATION: AGSA	AUDITOR GENERAL
11:00 -11:30	DISCUSSION	ALL
11:30-11:45	TEA	
11:45 -12:30	MANAGEMENT REPORT	CITY MANAGER
12:30 -13:00	PRESENTATION AUDIT COMMITTEE	AUDIT COMMITTEE CHAIRPERSON
13:00 -14:00	LUNCH	
14:00 -15:30	PRESENTATION: INTERNAL AUDIT COMMITTEE	INTERNAL AUDIT HEAD INTERNAL AUDIT
15:30 -16:30	DISCUSSION	ALL
16:30 - 17:00	WAY FORWARD	ALL
	CLOSURE	

## PROGRAMME: 18 FEBRUARY 2026

## DAY 2

09:00 - 09:30	RECAP OF DAY 1	
09:30 - 09:45	METHODOLOGY & APPROACH TO THE ANALYSIS OF ANNUAL REPORT 2024/25	SERVICE PROVIDER
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 - 12:30	BREAK AWAY SESSIONS (CHPT. 3 C, D, E, F, G, H, I, J & K)	
12:30 - 13:00	GROUP DISCUSSION	ALL
13:00 - 14:00	LUNCH	ALL
14:00 - 14:30	SERVICE PROVIDER TO TAKE US THROUGH	ALL
14:30 - 15:30	GROUP DISCUSSION	ALL
15:30 - 16:30	WAY FORWARD	ALL
16:30 - 17:00	CLOSURE	ALL

## PROGRAMME: 19 FEBRUARY 2026

## DAY 3

09:00 - 09:30	RECAP OF DAY 2	
09:30 - 09:45	BREAK AWAY SESSIONS (CHPT. 4 A, B & D - CHPT. 5 & 6)	SERVICE PROVIDER
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 - 12:30	SERVICE PROVIDER	ALL
12:30 - 13:00	DEPARTMENTAL ENGAGEMENT QUESTIONS	ALL
13:00 - 14:00	LUNCH	ALL
14:00 - 14:30	DEPARTMENTAL ENGAGEMENT QUESTIONS	ALL
14:30 - 15:30	GROUP DISCUSSION	ALL
15:30 - 16:30	REVIEW OF SITE VISITS	ALL
16:30 - 17:00	WAY FORWARD	SERVICE PROVIDER
	CLOSURE	CHAIRPERSON: CLLR. S.W. CAGA

**PROGRAMME: 20 FEBRUARY 2026**

**DAY 4**

<b>09:00 -09:30</b>	<b>RECAP OF DAY 3</b>	
<b>09:30 -09:45</b>	<b>OPENING REMARKS</b>	<b>CHAIRPERSON</b>
<b>09:45 - 10:00</b>	<b>DISCUSSION</b>	<b>ALL</b>
<b>10:00 - 10:30</b>	<b>TEA BREAK</b>	
<b>10:30 -12:30</b>	<b>SERVICE PROVIDER</b>	<b>ALL</b>
	<b>WAY FORWARD</b>	<b>SERVICE PROVIDER</b>
	<b>CLOSURE</b>	<b>CHAIRPERSON: CLLR. S.W. CAGA</b>



BUFFALO CITY

METROPOLITAN MUNICIPALITY

**NOTES of the WORK SESSION:  
ANALYSIS of the ANNUAL REPORT  
2024/2025 of the MUNICIPAL  
PUBLIC ACCOUNTS COMMITTEE  
for BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
for 2026 held on 17<sup>TH</sup> – 20<sup>th</sup>  
FEBRUARY 2026 at 09:20 A.M held  
at MPEKWENI BEACH LODGE**

**WEDNESDAY, 18 February 2026**

**DAY: 2**

**PRESENT:**

Councillors:	S. Caga	(Chairperson)
	P. Jaxa	
	B. Kalani	
	A. Majeke	(left 17:30)
	M. Mashiya	
	M. Nyusile	
	B. Sauli	
	S. Siboyana	
	G.K. Walton	(9)

**ABSENT:**

Councillor:	M. Hlekiso	(1)
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**OFFICIALS**

Senior Committee Secretary: Municipal Public Accounts Committee	(Ms. U. Myoyo)
Committee Secretary: Municipal Public Accounts Committee	(Ms. A. Komani)
Committee Secretary: Municipal Public Accounts	(Ms G. Gulwa)

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 18 FEBRUARY 2026  
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Committee	
Personal Assistant: Chairperson	(Ms. Z. Matika)
Receptionist: Municipal Public Accounts Committee	(Ms. S. Nobongoza)
ICT Practitioner	(Mr. L. Jongwana)
Communication:	(Mr. U. Xala)
Communication:	(Ms. L. Mnukwa)

IN ATTENDANCE

Director: CoGTA (Ms. V. Mbelani)

MPAC RECAP OF THE PREVIOUS DAY  
08/26 AR

The Chairperson welcomed all attendees to the Municipal Public Accounts Committee (MPAC) Day 2 Work Session: Analysis of the Annual Report 2024/2025. He mentioned that the session held the previous day involved the City Manager along with his Heads of Departments (HoD's), the Auditor General of South Africa (AGSA), and the Head of Governance and Internal Auditing. He indicated that the Chairperson of the Audit Committee was not in attendance on the First (1st) Day of the Work Session. He indicated that the Internal Audit report was with the Committee and stated that he could invite the Chairperson of the Audit Committee to present that report via the Microsoft Teams platform. If not, he mentioned that the Committee would consider on how to address the Internal Audit report. He indicated that the presentation from the Auditor-General was quite lengthy and addressed the condition of the Buffalo City Metropolitan Municipality (BCMM) on irregular expenditure. He noted that the Auditor-General's report also addressed the incurring of the irregular expenditure amounting to approximately R1. 14 billion due to a decision made by Management, which they claimed was intended to expedite service delivery.

In addition, the Chairperson stated that the Auditor-General's report clearly indicated that the Municipality had poor planning, lack of consequence management, deficiencies in contract management, Material Irregularities (MI), and non-compliance with Annual Financial Statements (AFS), which negatively impacted the public they served. He stated that certain findings included the Wastewater Treatment Works (WWTW) which showed that the river streams were not treated. He mentioned that the Management report showed some progress in monitoring matters related to consequence management and that the City Manager accurately addressed the concerns brought up by the Committee. He stated that the Head: Governance and Internal Auditing provided a comprehensive report,

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focusing on the Annual Report and he was determined if their findings were influenced by Circular 63 of the National Treasury guidelines.

Adding thereto, the Chairperson mentioned that the Head: Governance and Internal Auditing informed the Committee about an upcoming final Annual Report, which raised questions for the Committee regarding whether they were reviewing a draft version of the Annual Report. He expressed that the Committee ought to make use of the Annual Report available to them. He also valued the insights the Committee received from the Department of Cooperative Governance and Traditional Affairs (CoGTA) regarding the actions required by the Management and noted gaps in the Management report. He expressed that all of that was received positively in the hope of witnessing future improvements in the BCMM. The Chairperson noted that the Committee should examine how the Mngquma Local Municipality achieved unqualified audit opinions for four (4) consecutive years and showed an ongoing improvement. He suggested that the Institution ought to reflect on how they ended up with the irregular expenditure. He mentioned that, at one time, the BCMM had obtained five (5) consecutive clean audits which was comforting seeing that at that time the City Manager took action against officials who were not performing their responsibilities.

Councillor Walton observed that there was an inconsistency in the Annual Report, which were corrected in the Audit Report. He stated that the Governance and Internal Auditing department could submit an updated Annual Report to outline the changes made in that version of the Annual Report. He raised frustration that the Committee had repeatedly encountered the issue of determining which version of the Annual Report to review. He stated that the Management could not provide a different version of the Annual Report adding that any changes made to the Annual Report would be derived from the instructions from the Committee which arose from their engagements, rather than from any document of which they were unaware of. Lastly, he stated that they could not allow an unknown version of the Annual Report to circulate.

Councillor Jaxa concurred with the remarks expressed by Councillor Walton. He stated that the issue of having various versions of the Annual Report had been an ongoing situation from the time he began his role as a member of the MPAC. He indicated that they would only address one Annual Report which was tabled to Council as required by the legislation, therefore no other version of that report should exist. He mentioned that the Work Session from the previous day was excellent and that both the Head: Governance and Internal Auditing, as well as the City Manager, performed admirably. He indicated that the remaining task for the City Manager was to implement what he had presented to the Committee. Subsequently, he advised that the brake away session should be avoided.

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Councillor Nyusile concurred with the remarks made by Councillor Jaxa, affirming that the Committee ought to discuss the Annual Report together in the same venue and should not hold a break away session

Councillor Siboyana expressed that as it was her first involvement in the analysis of the Annual Report, therefore she concurred that the Committee should analyse the report collectively in the same venue.

MPAC      METHODOLOGY AND APPROACH TO THE ANALYSIS OF THE  
09/26 AR   ANNUAL REPORT 2024/2025

The Chairperson concurred with the approach for analysing the Annual Report during the plenary session. He highlighted that the method resulted in considerable progress in their work. He then offered the service provider the opportunity to present the Methodology following the instructions outlined in Circular 63 of the MFMA.

\*\*\*      **[Note:      The service provider's methodology is attached for ease of reference]**

Councillor Jaxa stated that the service provider had provided the Committee with extensive guidelines for the Annual Report. He suggested that the service provider should offer guidance to the Committee on oversight only when the Committee was actively engaged in it. He mentioned that they should complete analysing the Annual Report, and thereafter they would address the Oversight report.

The Chairperson acknowledged the comments provided by Councillor Jaxa and indicated that Circular 32 of the MFMA related to the Oversight report. He mentioned that had the Committee been aware beforehand that the presentation by the service provider pertained to both the Annual Report and the Oversight Report, they would have permitted the service provider to present only the Circular 11 and Circular 63 of the MFMA, which related to the Annual Report.

Councillor Walton emphasized the significance of the checklist for reviewing the annual report and advised the Committee to concentrate on the pertinent slides pertaining to the service provider's methodology.

\*\*\*      **[At this stage, the service provider continued presenting the methodology]**

The Chairperson noted that the service provider's methodology assisted the Committee in preparing the Oversight Report and in analysing the Annual Report. He stated that the Committee was reviewing the

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Municipality's performance for the Financial Year: 2024/2025 along with the activities outlined in the Integrated Development Plan (IDP) that were incorporated into the Service Delivery and Budget Implementation Plan (SBDIP). He further clarified that some parts of the report of BCMDA were missing due to a dispute between them and the Auditor-General which was affecting the Annual Report's completeness. He highlighted the importance of making the public aware of that predicament and noted that the presentation would continue despite the absence of key sections of the Agency's report, which was a significant omission.

Councillor Kalani, seconded by Councillor Sauli, proposed a tea break prior to the Committee analysing the Annual Report.

Councillor Sauli indicated that the Chairperson's comments should be noted.

**[NOTE: At this stage the meeting adjourned for lunch, the time being 11:27 a.m. and reconvened at 12:00 a.m.]**

MPAC      DISCUSSIONS ON CHAPETR 3  
10/26 AR

The Chairperson opened discussions on the Annual Report.

Councillor Majeke raised concerns regarding to the BCMDA's Annual Report, which did not include an audited version due to a dispute they had with the Auditor-General. She indicated that the Agency had a dispute regards to the Material Irregularity (MI) that was being addressed through the dispute process with the Auditor-General. She suggested that the Committee should put that in abeyance until they received guidance on how to address the issue.

The Chairperson enquired about the duration for which the issue would remain in abeyance and expressed the need to determine their strategy regarding the situation.

Councillor Walton suggested that the Committee should engage with the BCMDA in public regarding to their report, which could not be included in the Annual Report until a clear objective was determined. He believed that it was necessary to seek legal guidance regarding the inclusion of the BCMDA's Annual Report in the document, given the absence of their own Annual Report, which was an important matter. He stressed the importance for the Committee to carefully consider the matter of the legal input before proceeding.

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The Director: CoGTA suggested that the Committee should invite the Chief Executive Officer (CEO) of BCMDA to an online meeting on that day, for approximately 40 to 60 minutes. She stated that the purpose of the meeting was to review the current status of the Agency's Annual Report and its audited outcomes of the Annual Financial Statements (AFS). She stated that the Committee ought to inform the CEO that they wished to gain clarity regarding the current processing on the dispute.

The Chairperson suggested that the Committee should assess how far they could go in analysing the Annual Report prior to lunch time and advised that they should aim to discuss at least two (2) chapters from the report. He mentioned that he would communicate with the CEO of the BCMDA regarding a potential presentation that afternoon. Subsequently, he permitted the service provider to guide them through the chapters of the Annual Report.

The service provider stated that they would review each chapter with the Committee, during which the Committee would identify any areas of concerns related to those chapters. She stated that the Committee would also determine which questions ought to be included in the submission to the departments.

Councillor Majeke expressed a concern on the current state of the BCMDA in relation to the Auditor-General. She conveyed her disappointment that the Agency's representatives were present at the first (1st) day of the work session but did not provide any useful information. She felt that relevant issues should have been revealed during the previous work session to facilitate appropriate discussions. She expressed her frustration regarding the lack of communication between the MPAC office and the BCMDA, which led to unnecessary duplication of efforts. Although the Committee consented to schedule a meeting with BCMDA, she stressed the significance of maintaining focus on the ongoing tasks of analysing the Annual Report. She highlighted the necessity for greater transparency from Agency and articulated concerns regarding matters raised by Standing Committee on Public Accounts (SCOPA) that pertain to the MI.

Councillor Jaxa stated that presentations were made by relevant departments that were listed on the agenda from yesterday and noted that BCMDA was not part of the agenda. He noted that the Agency was only involved in that day's discussions because the service provider brought up a related issue. He suggested that BCMDA be invited to present an update on the status of the dispute and to offer a timeline for its resolution.

Responding thereto, the Chairperson stated that he spoke with the CEO of BCMDA, who conveyed that matter to him yesterday. He stated that while the Committee was addressing the Annual Report, they would also review both Annual Reports from the Agency and from BCMM. He stated

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that, in his role as Chairperson, he was trying to be transparent with the Committee about the information received from the CEO. He suggested that the Committee discuss the matter of BCMDA. Furthermore, the Chairperson stated that the way forward regarding the Agency's issue was for the Committee to connect with the CEO of BCMDA via Microsoft Teams to clarify the issue of disputes. Subsequently, the Committee would conclude on appropriate course of action.

Councillor Walton stated that the Annual Report was presented in the Council meeting, and at that point, the City Manager ought to have recognised that the Annual Report was not fully complete, as it did not include the BCMDA's audited AFS. He expressed frustration that if the issue had been known when the report was presented, they would not have been discussing it.

Councillor Majeke referred the meeting to page 148 on the last sentence prior to table T3.1.1, and she duly read. She raised a concern regarding the turnaround time for the support to communities from the call centre and the requests made to the help desks. She mentioned that since all Councillors had WhatsApp groups dedicated to infrastructure, they could enquire about the turnaround time for that, as there were related concerns.

Councillor Walton addressed the lack of statistics on the performance and timeframes related to water bursts and interruptions, as specified in Circular 88 of the MFMA. He enquired about the number of incidents managed within the designated timeframes and indicated that enhancements were necessary. He remarked that on page No. 48 it was noted that the Municipality had invested R43 million in replacing pipes and meters and enquired about the return of investment with regards to that. He mentioned that the Auditor-General's report noted an increase in water losses, which raised concerns regarding the effectiveness of those efforts. He indicated that the circumstances did not appear to be improving.

The Chairperson had noted all the comments provided by the Committee members. He suggested that they tackle service delivery issues by comparing them with the Auditor-General's report. He stated that the Auditor-General's report consisted of a review of the Annual Report. He indicated that beginning with that method it would enabled a more comprehensive analysis, ensuring that findings from the Auditor-General's report were incorporated into the review process.

Councillor Jaxa stated that the employees were not adequately prepared for their tasks, as they were missing necessary tools and Personal Protective Equipment's (PPEs). Indicating that it caused them to find it difficult to carry out their duties and often relied on insufficient personal resources. He emphasised that suitable materials were crucial for successful recruitment.

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Councillor Walton noted that there were concerns regarding water quality, mentioning that Kids Beach had a 98% satisfaction level. Additionally, he pointed out that chlorine levels at Kaiser's Beach were high, which was not addressed in the report. He stated that in the Auditor-General's Management report pointed out the irregularities in water, sanitation, and waste services, which had a negative impact on both public health and the economy.

Councillor Jaxa directed the Committee's attention to page No. 157 on the second paragraph, which he duly read. Regards to the budget, he enquired about the total amount spent during the year under review, its targets, and the actual expenditures by year-end. He indicated that the information was necessary for individuals to understand how much money was utilised and what remained. Furthermore, he pointed out that the Institution should not claim that challenges had existed for 20 years when the Annual Report referred only to the past 12 months. He stated that it was important to understand what actions the BCMM had taken to reduce the backlog. Concerning pit latrines, the report stated that the Municipality had installed them over the past five years. He expressed that the Committee ought to be informed about the number of installations that took place during the year under review, as well as the quantity that were commissioned and the total that were currently operational.

The Director: CoGTA stated that the report should clearly outline the tests that were carried out and the outcomes obtained, indicating any improvements made and detailing the actions that resulted in those changes, along with any difficulties encountered. She expressed that the quality of BCMM water should comply with health standards and that there was a need for public confidence concerning previous concerns. Furthermore, she noted that vandalism was an issue in both informal settlements and suburbs, highlighting the need for targeted strategies to tackle it. She stated that it was essential for Councillors to engage with communities and that there should be a clear information regarding the licenses referenced and updates on illegal connections. Lastly, she stated that a comprehensive explanation was necessary to enhance public trust.

Councillor Walton stated that there were twelve (12) non-functional stations and inaccuracies in a report concerning the wastewater treatment facilities. He pointed out that in previous years discussions that the Committee had with the Department of Infrastructure, the department indicated that only one (1) out of five (5) treatment works was operational. He raised concerns that the matter was not mentioned in the current Annual Report. Moreover, he stated that the report highlighted the existence of densely populated informal settlements located over wastewater systems and the unclear strategies of the Institution for enhancing service delivery in those impacted regions. He indicated that the timeframe for relief could take up to 25 years. Lastly, he noted that bucket toilets were still in use, which raised doubts about the correctness

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of the reported situation and that there were no statistics or details provided regarding bucket toilets in the report.

Additionally, Councillor Walton noted that the table labelled 'Household Sanitation Services' provided data for the Financial Years: 2023/2024 and 2024/2025. He expressed that he was sceptical about the absence of data for the Financial Years: 2021/2022 and 2022/2023 and enquired why the table was not fully completed. He directed the Committee's attention to page No. 162, specifically the table concerning employees, which he duly read. He stated that no information was given regarding the effects of the staff shortages in that category. Adding that it impacted the financial performance, as illustrated in T3.2.8, which revealed that the funds for repairs and maintenance were underutilised by 25%. He stated that the outcome indicated inadequate staff which led to the department not to spend those funds.

The service provider mentioned that Councillor Walton referenced page No, 147 but did not discuss it and then moved directly to page No. 162. She requested Councillor Walton to raise his concerns regarding page No.147.

Councillor Walton stated that he wanted to highlight the issue of water losses on page No. 147. He stated that the water losses were neither 40% nor 37%, and according to the Auditor-General, the losses were actually 41%, thus rendering the figure in the report inaccurate. He expressed that the Committee ought to enquire about who was correct, the Auditor-General or the BCMM. He drew the attention of the meeting to page No. 164, which he duly read. He mentioned that the Institution received environmental court orders concerning the Nahoon River and the Gonubie Estuary. He asserted that the report was misleading the public and did not accurately represent the actual situation. He stated that, on page No. 43 of the Management report, the Committee ought to develop questions regarding the matters that were pointed out on that page.

In response thereto, Councillor Jaxa expressed that it was not a misinformation rather a lack of information which clarified that even if the city was regressed, it still maintained a status of 53% and did not possess either a blue drop or a green drop. He remarked that the Management, in their written submission, should clearly indicate the correct level of where the city stood concerning that situation.

The Chairperson stated that Councillor Walton will resume his comments after lunch.

**[NOTE: At this stage the meeting adjourned for lunch, the time being 13:37 a.m. and reconvened at 14:40 a.m.]**

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The service provider reminded the Chairperson that Councillor Walton was to proceed with his remarks after lunch time.

Councillor Mashiya directed the meeting's attention to page No. 164 of the Annual Report, which she duly read. She stated that the information written on that page was a misinformation. She added that the Institution could not disclose to the public what occurred in 2013 in year 2026 and indicated that the information was not intended to be included in the Annual Report 2024/2025.

Councillor Majeke referred the meeting to page No. 165, on the last paragraph, which she duly read. Concerning CoGTA and the Department of Trade and Industry (DTI), she noted that both departments addressed the issue of service level agreements, which affected many municipalities. She stated that the Committee ought to enquire with the Management about the Institution's stance on that specific issue, as she noted during public participation that was the most frequently raised question by the public. She additionally directed the meeting to page No.166, and expressed that the important question to consider was why Management was not giving priority to maintenance. On page 166, she indicated that the question to be posed concerned whether the BCMM limits the electricity allocation to 53 basic units, following the guidelines set forth by the National Treasury.

The Director: CoGTA reviewed the Annual Report, focusing on how the Institution met National Treasury targets for electricity and water services. She highlighted the need to check BCMM's adherence to national standards on water losses, which should be between 15% and 30%, and electricity distribution losses, which should be between 10% and 12%. She mentioned that the report also addressed issues with the indigent register, showing that 214 urban consumers were identified as invalid. She emphasised the need for accurate data and requested that the Management should supply the Committee with Standard Operating Procedures (SOP) for free basic allocations in ensuring proper benefits were given. She stated that those points were important for future evaluations by National Treasury

Concerning vandalism, Councillor Walton stated that the Management should explicitly outline the effect of vandalism on the necessary repairs and maintenance. He stated that it was important because the Management had utilised 94% of the budget allocated for repairs and maintenance. He estimated that approximately 50% of that budget had not been used for maintenance and repairs but used for replacing transformers that had been vandalised.

Councillor Majeke referred the meeting to page No. 180, and stated that a question that the Committee should pose was whether they could obtain

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the locations of the housing developments that had been electrified during the year under review and where were they in the process of that electrification process policy. On page No. 182, she indicated that there was lack of information concerning the trade reforms from the National Treasury, which Management failed to incorporate into the Annual Report.

Councillor Walton stated that the Committee should enquire about the losses that rose from 556 million to 831 million, a figure he considered to be significant.

Councillor Jaxa believed that the Department of Solid Waste and Environmental Management had minimised their reporting and that there was more theoretical information with no Proof of Evidence (POE) to support what they had reported in the Annual Report.

Councillor Majeke concurred with the comments made by Councillor Jaxa and suggested that the Committee pose the same question to the department that they had previously made: specifically, the number of operational compactor trucks and the quantity of those that were leased.

In addition, Councillor Jaxa noted that there was little mention of the people who cleaned the streets and gutters, questioning how many participants were recruited for the program.

Councillor Majeke referred the meeting to page No.14 of the Auditor-General's report. She indicated that the question to be posed was: what was the Standard Operating Procedure (SOP) which related to the Human Settlements Policy.

Councillor Jaxa referred the meeting to page No. 193, specifically on the second paragraph, which he duly read. He believed that the first sentence was unnecessary, as the Institution had already undergone the paradigm shift.

The Director: CoGTA concurred with the remarks made by Councillor Jaxa. She stated that the correct information that was required could be found on page No. 194.

Adding thereto, the Chairperson mentioned that they ought to request the Department of Human Settlement to provide the total target of houses delivered during the year under reviewed. He stated that by doing that, the Committee would be able to determine whether the department had achieved its targets.

Councillor Majeke directed the meeting to page No. 195 and stated that the question to be directed to the Department of Human Settlement was: what actions had Management taken to reduce the silo mentality in the department. Additionally, in the statement found on page No. 203, she

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expressed that the Committee required information on the number of housing projects that received funding for the year under review.

Councillor Walton pointed out to page No. 34 of the Auditor-General's report and stated that the Annual Report failed to discuss R38 million in fruitless and wasteful expenditure, as noted by the Auditor-General. He suggested that there should be a question raised about that issue.

The Chairperson reminded Councillors of last year's site visits in Mdantsane clusters and emphasised the need to assess any improvements made. He then suggested for a 10-minute tea break.

**[NOTE: At this stage the meeting adjourned for tea break, the time being 16:37 a.m. and reconvened at 16:50 a.m.]**

Councillor Jaxa stated that the image of the traffic circle on page No. 212 did not accurately represent the actual appearance of the circle. He suggested that the traffic circle should be included in the Committee's site visits and that the Committee should compare the current traffic circle to the images presented in the Annual Report, which he stated showed a significant difference between them.

Councillor Walton stated that the Auditor-General's report highlighted an issue regarding the quality of road work being performed. He stated that there was no reference to that in the Annual Report.

Councillor Majeke referred the meeting to page No. 213 on the fourth paragraph, which she duly read. She enquired about the effectiveness of the pavement management system in identifying any shortcomings the Institution had in its road infrastructure. Concerning the information on page No. 215, she enquired about the percentage of roads classified as being in good to fair condition and the percentage of roads categorised as being in poor condition. She stated that certain details in the tables regarding road infrastructure were confusing and lacked clarity. She enquired about what was the percentage of funds allocated for road construction, rehabilitation, or maintenance for the current year under review.

Councillor Mashiya directed the meeting's attention to page No. 227 and enquired about the status of the Institution concerning those projects.

Councillor Walton stated that concerning the information on page No. 225 concerning the budget for roads and its expenditures, he suggested that there should be a question posed regards to that matter.

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In the second last paragraph on page No. 213, the Director: CoGTA stated that there was no explanation provided concerning the Pavement Management System. She stated that there needed to be an action taken, such as finding an investor to enhance the entrance from East London King Phalo Airport, specifically at Oxford Street and Cambridge Street.

The Chairperson stated that the Annual Report was the sole document reviewed by an individual or organisation interested in investing in the BCMM. He indicated that a possible investor would review the AFS of the Institution prior to making an investment. He mentioned that there were gaps in the report and that positive aspects were not included.

Councillor Majeke requested to be excused at 5:30 PM.

Councillor Majeke referred the meeting to page No. 247, and indicated that the question to be posed to the Management should focus on the effectiveness of their discussions with the taxi industry concerning road congestion. Concerning page No. 248 in the section titled 'Bus Operators,' she enquired about the current status of the Institution's bus operations in the city. Another enquiry she made was whether there was a schedule for the city buses, what the passenger load was, and how the Municipality could enhance that service. Concerning the 'Prasa Rail Service', she stated that it was not essential for the Management to add that information in the report, but rather to simply create a POE regarding it.

Councillor Walton noted that the information on page No. 253 pertained to 'Sleeper Site Road,' only the financial details related to that road had been provided, and no further discussions about it.

Councillor Sauli referred the meeting to page No. 275 concerning 'Xhwithinja' and mentioned that what was written about the status of that project was not a true reflection and that the project had already moved beyond that phase. She requested an updated report on it, as that was not the main concern. She stated that, as the Ward Councillor for that area, they had moved beyond the ownership issues and requested that the statement be revised.

With regards to Wastewater, Councillor Majeke enquired about the areas that had undergone rehabilitation and reconstruction, as well as those where blockages in the stormwater system, caused by solid waste, had been cleared during the current year under review. The second question she enquired was whether the additional budget had been submitted for the Financial Year: 2025/2026, and if not, had a provision been included in the adjustment budget.

Councillor Walton referred the meeting to page No. 262 under 'Integrated Urban Development Framework,' and indicated that the statement had showed that there was a lack of progress concerning the achievement of

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that framework, and he emphasised that the Management should address that matter.

According to Local Economic Development (LED), Councillor Jaxa stated that the art along Eastern Beach was written in Peddie rather than Xhosa. He continued by questioning why the department was not promoting on the local radio stations and why the city's brand not prioritised when discussing tourism. He questioned the economic benefits the Buffalo City Metropolitan received from the national games held there during the current year under review.

Councillor Siboyana referenced page No. 281 and enquired to the factors that led farmers to pay 5% of their earnings to BCMM.

Councillor Majeke pointed to page No.288 and sought clarity concerning what the department meant on discarding the fruits and vegetables, and how did they discard them. She further enquired whether the department provided fresh produce sourced from the market to other provinces within South Africa, to various regions across Africa, including Southern African Development Community (SADC) and if they also supplied some of the fresh produce to international markets.

**[NOTE: At this stage Councillor Majeke left the meeting, time being 17:30p.m.]**

Councillor Siboyana suggested that the Committee ought to persist with the discussions related to libraries, archives, museums, galleries, and cemeteries. Her explanations were based on matters that every person encountered in their daily life.

The service provider stated that the section about libraries, archives, museums, galleries, and cemeteries was composed of only ten (10) pages.

Councillor Mashiya referenced on page No. 343 that the issue concerning the library was a lack of funding. She enquired what action taken to address the situation by the Institution, the department to which the library belonged, and the political leadership involved in the Intergovernmental Relations (IGR) processes.

Councillor Walton referred the meeting to page No. 351 that pertained to the halls and noted that the report did not include any financial details regarding the use of those halls.

Councillor Siboyana referenced on page No. 353, under the section 'Proposed Projects and Targets for Financial Year: 2025/2026,' and enquired about the current status of the renovations at the N. U. 1

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auditorium. Secondly, she enquired when will the renovation of that hall take place, as it had consistently been included in the budget. Regarding cemeteries, she requested that the department provide a detailed analysis of the renovations needed for those sites.

Councillor Sauli noted that the fencing of the King Williams Town's (KWT's) graveyard had been vandalised. She suggested that there should be a question formulated around that.

NOTED

MPAC  
11/26 AR

CLOSURE

The Chairperson emphasised the necessity of acting more swiftly in analysing the report and review the Financial Statements together with the Auditor-General's report the following day. He stated that Chapter 3 was detailed because it included information from several service delivery departments. He subsequently expressed gratitude to all for their contributions or comments provided

NOTED

**[The meeting adjourned at 18:00 p.m.]**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**  
**WORK SESSION: ANALYSIS OF THE ANNUAL REPORT 2024/25 FY**  
**MPEKWENI BEACH LOGDE**  
**17-20 February 2026**

**PROGRAMME: 17 FEBRUARY 2026**

**DAY 1**

09:00 -09:30	OPENING AND READING OF THE NOTICE	CHAIRPERSON: CLLR. S.W. CAGA
09:30 -09:45	ADOPTION OF THE PROGRAMME	ALL
10:00 - 11:00	PRESENTATION: AGSA	AUDITOR GENERAL
11:00 -11:30	DISCUSSION	ALL
11:30-11:45	TEA	
11:45 -12:30	MANAGEMENT REPORT	CITY MANAGER
12:30 -13:00	PRESENTATION AUDIT COMMITTEE	AUDIT COMMITTEE CHAIRPERSON
13:00 -14:00	LUNCH	
14:00 -15:30	PRESENTATION: INTERNAL AUDIT COMMITTEE	INTERNAL AUDIT HEAD INTERNAL AUDIT
15:30 -16:30	DISCUSSION	ALL
16:30 – 17:00	WAY FORWARD	ALL
	CLOSURE	

## PROGRAMME: 18 FEBRUARY 2026

## DAY 2

09:00 - 09:30	RECAP OF DAY 1	
09:30 - 09:45	METHODOLOGY & APPROACH TO THE ANALYSIS OF ANNUAL REPORT 2024/25	SERVICE PROVIDER
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 - 12:30	BREAK AWAY SESSIONS (CHPT. 3 C, D, E, F, G, H, I, J & K)	
12:30 - 13:00	GROUP DISCUSSION	ALL
13:00 - 14:00	LUNCH	ALL
14:00 - 14:30	SERVICE PROVIDER TO TAKE US THROUGH	ALL
14:30 - 15:30	GROUP DISCUSSION	ALL
15:30 - 16:30	WAY FORWARD	ALL
16:30 - 17:00	CLOSURE	ALL

## PROGRAMME: 19 FEBRUARY 2026

## DAY 3

09:00 - 09:30	RECAP OF DAY 2	
09:30 - 09:45	BREAK AWAY SESSIONS (CHPT. 4 A, B & D - CHPT. 5 & 6)	SERVICE PROVIDER
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 - 12:30	SERVICE PROVIDER	ALL
12:30 - 13:00	DEPARTMENTAL ENGAGEMENT QUESTIONS	ALL
13:00 - 14:00	LUNCH	ALL
14:00 - 14:30	DEPARTMENTAL ENGAGEMENT QUESTIONS	ALL
14:30 - 15:30	GROUP DISCUSSION	ALL
15:30 - 16:30	REVIEW OF SITE VISITS	ALL
16:30 - 17:00	WAY FORWARD	SERVICE PROVIDER
	CLOSURE	CHAIRPERSON: CLLR. S.W. CAGA

## PROGRAMME: 20 FEBRUARY 2026

## DAY 4

09:00 -09:30	RECAP OF DAY 3	
09:30 -09:45	OPENING REMARKS	CHAIRPERSON
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 -12:30	SERVICE PROVIDER	ALL
	WAY FORWARD	SERVICE PROVIDER
	CLOSURE	CHAIRPERSON: CLLR. S.W. CAGA



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**NOTES of the WORK SESSION,  
ANALYSIS of the ANNUAL  
REPORT for the 2024/2025  
FINANCIAL YEAR of the  
MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE of BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
held on 17-19 February 2026 at 09:  
00A.M at MPEKWENI BEACH  
RESORT.**

**THURSDAY, 19 FEBRUARY 2026**

**DAY 3:**

PRESENT:

Councillors: S.W. Caga (Chairperson)  
G.K. Walton  
P. Jaxa  
B. Kalani  
V. Siboyana  
M. Mashiya  
A. Majeke

(7)

ABSENT:

Councillors:

M. Hlekiso  
B. Sauli

(3)

IN ATTENDANCE:

Director: Cogta	(Ms. V. Mbelani)
Senior Committee Secretary: MPAC	(Ms. U. Myoyo)
Committee Secretary: MPAC	(Ms. A. Komani)
Committee Secretary: MPAC	(Ms G. Gulwa)
Personal Assistant : MPAC	(Ms. Z Matika)
Receptionist:	(Ms. S. Nobhongoza)
ICT Technician	(Mr. L. Jongwana)
Communication	(Unam Intern)
Communication	(Lisa Intern)

1. OPENING REMARKS

The Chairperson greeted and welcomed everyone in the session. He then stated that the session will continue with the analysis of Chapter 3 of the Annual Report relating to Service Delivery. Furthermore, he indicated that, following discussions from the previous day, 18 March 2026, a brief recap would be provided before proceeding to remaining departmental matters.

The Chairperson then proposed combining Chapters 4 and 6 (Financials) during the analysis, noting that the financial statements are audited and extensively covered by the Auditor-General. He stated that the approach would allow efficient coverage before returning to governance-related chapters and corporate services.

Moreover, he then requested for the Committee Members to agree/comment on the proposed methodology before proceeding.

Councillor Jaxa supported the proposed approach, noting that beginning with Chapter 3 was appropriate. He indicated that since the financial statements are audited, discussions should focus mainly on the Auditor-General's findings and alignment with governance matters.

The Chairperson confirmed that the proposed approach was adopted, and he handed over to the facilitator to provide a recap of the previous days' session.

The Service Provider (SP) gave an outline progress made during the previous session, which was: the completion of Basic Services discussions (water, electricity, sanitation, housing, and waste management), the review of Roads and Transport matters, consideration of Planning and Local Economic Development issues, Completion of Community and Social Services discussions. She stated that the key findings included infrastructure challenges, service delivery losses, transport concerns, environmental impacts, waste management reporting gaps, and insufficient marketing strategies within LED initiatives. Concerns were also raised regarding insufficient explanatory detail in performance tables throughout the report.

Furthermore, she highlighted that it was concluded with discussions on Community and Social Services, where analysis covered libraries, archives, museums, galleries, community facilities, cemeteries, and crematoriums.

She went on to indicating that on the day, the session would focus on Component D on childcare, aged care, and social programmes. She went further stated that under basic services, issues included water and electricity losses, infrastructure challenges, licensing and decommissioning of wastewater treatment works. For Roads and Transport, the main issue was taxi associations and road infrastructure concerns. Under Housing, electrification backlogs and progress on completed housing projects were noted. Environmental issues included sewer discharge impacts on communities and legal actions taken by management. For Waste Management, key issues were leases, fleet status and under-reporting, with the committee requesting more information. For Planning and LED, the main concern was insufficient marketing strategies to position the municipality effectively, including focus on the airport entry point. She reiterated that across all components, tables presented in the report did not provide sufficient explanatory information for readers to understand impact and outcomes.

Following the recap from the service provide (SP), the Chairperson referred the meeting to page 356 of the report. The Chairperson extended an opportunity to the Committee to address matters that were still to be analysed.

## 2. DISCUSSION ON OUTSTANDING ISSUES

Cllr Mashiya I just stated that she wanted to make sure that as the committee had not omitted crucial information to be discussed. She referred the meeting to page 275.

The service provider sought clarity on whether the committee at that stage was moving with the analysis to next chapters.

In response to that, Cllr Mashiya indicated that she was moving with her discussion as part of the recap, saying that the committee had already covered much, but rather had to find a line in moving forward. She went on stating that she felt quite strongly about the risk issues, saying that if the committee did not ask about them, were missing an opportunity. She referred to the second bullet on page 275, highlighting that the matter was not yet finalised due to issues outside the control of the municipality.

Furthermore, she stated that it would not be problem for the committee to ask the department in question to advise them. She enquired that if the problems were outside municipal control, whose control were they under and what actions were being taken to resolve them. She went on to saying that such matters affected the municipality's operations and performance.

Cllr Mashiya state that the second issue she wanted to raise was the Tyutyu township establishment. It was mentioned that the service provider was appointed in 2023. Cllr Mashiya stated that the project faced environmental issues, and applications were submitted in 2025 to address them issues. She went on to say that the committee should pose one question to the department on this matter; the current state, has there been any response on the issues around the project and the progress to date. She then directed the committee to page 277 highlighting on the table, saying that it states that 282 planning applications were approved, but it

does not indicate how many were received. She stated that the committee had to get clarity on the total number of applications received and how many were approved.

The SP indicated that issue of Tyutyu township establishment was raised the day before by Councillor Sauli.

Cllr Majeke concurred with Cllr Mashiya, stating that the committee should get clarity on the matter because what was reflected in the document was not the true status of the project. She went on saying that progress had been made, and that the committee had captured that so the department could provide the current status.

### 3. PLANNING APPLICATIONS PERFORMANCE

Moving from all the recap and outlining outstanding matters from the day before, the SP highlighted and referred the session to page 277, indicating that departments should align reporting with targets in the SDBIP. She stated that if the departments could indicate the applications received, approvals, and turnaround times, she indicated that, only they could properly assess performance. She went on stating that 282 applications being approved did not allow them to evaluate effectiveness or economic development impact.

Furthermore, the SP mentioned that a letter was sent to the Minister and COGTA regarding challenges and a potential legal challenge against the municipality relating to planning delays. She highlighted that it showed the seriousness of improving systems and setting clear targets.

The Chairperson thanked the service provider for the presentation and stated that, at that point, they were done with page 277.

### 4. CHILD CARE, AGE CARE AND SOCIAL PROGRAMMES

The SP referred to page 356 — Section 3.14: Child Care, Age Care, Social Programme, and at that point, no comments were made.

## 5. ENVIRONMENTAL PROTECTION

The Chairperson stated that there would be a lot to discuss under Environmental protection.

Cllr Majeke stated that the questions she had under this heading were the following:

5.1 How many environmental breaches occurred during the year under review?

5.2 How many (Environmental Impact Assessment) EIA contraventions occurred?

5.3 What were the cost implications?

Cllr Majeke further stated that all the questions above should have been reflected on the document but that was not the case.

The Chairperson sought clarity following Cllr Majeke's questions, asking if the questions included the cost implications involved thereafter. Cllr Majeke confirmed to the inclusion.

The committee made reference to pollution incidents at beaches and other locations and noted that figures reflecting such incidents were not included in the report, mentioning Nahoon Beach, and Kids Beach.

Cllr Majeke stated that Environmental issues should also include sewer spills in residential areas, not only beaches and nature reserves. Areas like Parkside and West Bank experienced the same issues.

The Chairperson stated that Infrastructure failures and ageing wastewater treatment works contribute to environmental problems. However, infrastructure matters should be dealt with under infrastructure discussions, while environmental impacts are addressed at that time. Biodiversity, Landscaping and Open Spaces

6. BIODIVERSITY AND OPEN SPACES. (PAGE 376)

Cllr Walton indicated that grass cutting is not reflected properly in the annual report saying that the issue was also raised last year. The report structure, based on National Treasury format, spreads departments across multiple chapters, causing integration problems. Infrastructure issues often result in environmental consequences, but departments report in silos.

The SP highlighted that grass cutting was mentioned on page 392.

Cllr Majeke stated that grass cutting was only briefly referenced and not treated as a standalone topic.

7. HEALTH COMPONENT

Cllr Mashya stated that on page 416, the compliance table on food premises was unclear. She indicated that the first row refers to total numbers, but it is not clear what the totals represented. She then stated that the committee should seek for clarity.

8. SECURITY AND SAFETY – COMPONENT G

The Chairperson stated that in this this section the committee should focus on vandalism, theft of municipal property, this includes councillor's offices being broken into repeatedly, and safety issues. He went on to saying that departments should indicate financial losses caused by vandalism and theft. He further emphasised that the Municipality was losing significant resources, including infrastructure investments such as wastewater treatment works.

He went on to saying that the committee should focus on these issues of security and financial losses during the oversight period

Cllr Majeke, referred to page 433, which is the challenges faced by municipalities, she highlighted the third bullet point that states the coordination challenges between local government, SAPS and other agencies. It states that it needs an integrated approach for effective safety and security. She stated that her question on this section was whether the municipal department of Health and Safety and Law Enforcement work with other agencies. she then moved to page 434 On then on page 434, second, paragraph, which refers to the feasibility study and planning phase of the Disaster Management Centre is currently underway. She also highlighted that the head of the Disaster Management are preparing specifications for the appointment of a professional planning team, Cllr Majeke sought clarity as to whether the Disaster Management Centre was not already in existence.

Chairperson there was a municipal building; however, proper operational arrangements are not yet in place. Council adopted a resolution in October concerning this matter following issues that were identified. The situation remains complex, and although the Fire Department is involved, the facility cannot yet be regarded as fully operational.

Cllr Majeke, my question relates to page 435 concerning the Parking Management System. The report indicates that during the year under review the Traffic Services Department followed a formal procurement process for implementation of the system, the tender was advertised on 30 May 2025 and closed on 4 July 2025, but no responsive bids were received. It is further stated that the tender will be re-advertised. What are the implications of this outcome? Has any deviation process been implemented? Has the tender since been awarded, and what is the current progress regarding implementation of the parking management system?

The SP stated that according to the report, the tender is being re-advertised. Chairperson said that is correct. Where no responsive bids are received, procurement legislation allows for deviation processes where applicable. Management must, however, provide clarity on the steps taken and ensure full compliance with procurement prescripts.

Cllr Mashiya highlighted that she wished to raise concerns regarding the narrative structure of the report on page 435. The presentation of information leaves several questions unanswered, with explanations only appearing many pages later. For example, a budget rollover of R3.5 million is indicated for the procurement of backup generators. However, no outcome is immediately provided. Only on page 444 does the report clarify that two generators were eventually purchased. This reporting structure creates confusion, as it appears that no progress was made when reading the section in isolation. Similarly, another rollover amount is referenced without explanation until later pages indicate procurement of online payday machines. This matter should be addressed with management to improve report writing and clarity. Furthermore, on page 444, a balance of R2 million remained from the generator budget. Was this due to inaccurate budgeting, or other factors? Only R1.5 million was utilised, and the remaining amount could not be rolled over. Given ongoing vandalism and electricity challenges, these generators are critical. Why was the remaining funding forfeited? Lastly, the refurbishment of the Traffic Services Enforcement Building was not carried over because it had already been rolled over previously. Continuous procurement delays are resulting in the loss of funds intended for service delivery. Management must account for these inefficiencies.

The Chairperson stated that there was also a long-outstanding matter relating to the City's security risk assessment. Council adopted a resolution several years ago, yet the assessment has not been finalised. We require clarity on consequence management and progress made to date. A service provider was reportedly to be appointed. How far has the procurement process progressed, and what work has been completed?

Cllr Majeke stated, for context, the matter originates from a Council resolution adopted around 2017. A G-Tech study was subsequently conducted, although it was not formally sanctioned by Council. Assistance was requested from the State Security Agency, but this was declined. Following the resolution, procurement processes were initiated, and a service provider was reportedly appointed around 2024. Political party whips were also requested to submit inputs. A key question

remains: what actions were taken following the 2019 G-Tech study, which contained comprehensive recommendations?

The report further refers to the procurement of private security services. I remain unconvinced of their effectiveness. Municipal infrastructure, including electricity, water and data facilities, continues to experience security breaches. Which buildings have been prioritised for protection? Councillors' offices continue to experience break-ins. Clarity is required regarding the identification of strategic facilities and the deployment of security resources. We must also determine the financial losses resulting from vandalism and whether measurable improvement plans are in place.

Chairperson said that on page 436, regarding road traffic fatalities, the report reflects an expected figure of 240 fatalities, while the actual number recorded was 139. It is concerning that fatalities appear framed as targets. Reductions should be acknowledged positively rather than presented as anticipated outcomes.

Regard to revenue from traffic fines, the Chairperson stated that the report reflects outcomes but does not indicate a clear financial target. Such targets are necessary for proper performance assessment.

The Chairperson stated that there are also concerns regarding budget allocations that were not fully utilised. Community awareness programmes aimed at addressing vandalism are mentioned, but measurable outcomes are not clearly reflected.

The Legal Technical member greeted the Chairperson, Councillors and support staff. He referred the session to page 436, the figures presented are not targets but projections based on historical data used for reporting to National Treasury. On page 432, concerning security services, conditions at certain municipal buildings remain problematic. For example, at the Trust Centre, which houses critical municipal data, access control remains inadequate, and incidents of vandalism and theft continue despite the presence of security personnel. This raises serious concerns regarding the effectiveness of existing security measures.

Cllr Walton said that the security risk assessment matter dates back even further, having first been raised in 2013 and adopted around 2016. Regardless of the reference year, the matter has remained outstanding for nearly a decade. Additionally, on page 435, the report suggests that the City effectively does not have a functioning parking management system. This matter requires urgent clarification.

Cllr Walton stated that was what the report states. It is a fact. The real question, however, is why there is no alternative mechanism in place. What other parking management system exists to manage our parking arrangements? We may no longer have parking meters where people deposit coins, but what other mechanisms are in place to regulate parking and traffic over time? If none exist, the report should clearly state that. He also noted the reference to the estimated figure of 240 fatalities. While it was positive that fewer fatalities occurred, the issue lies in how the report was written. There must be sensitivity in reporting. The wording should never have reflected an “estimated” figure in that manner National Treasury does not expect municipalities to follow wording mechanically without applying judgment. The report should instead have reflected the previous year’s actual figure of 161 fatalities and the current year’s figure of 139, thereby demonstrating improvement. That is the correct way to present performance information. This again illustrates that figures were inserted simply because National Treasury required them, without proper consideration of how they would be interpreted. That relates to page 439. Regarding roadworthy examinations tested — only sixty-nine vehicles were processed. While there may be reasons for this, the reality is that operating this service is costing the municipality significant money. We are not generating revenue; rather, this represents an outflow of cash.

He indicated that the cost of running the facility likely exceeds revenue by a substantial margin. We cannot continue maintaining equipment, buildings and staff for a service that processes only sixty-nine vehicles annually. We must consider whether the facility should be closed or resources reallocated to reduce expenditure. Turning to the refurbishment of the Traffic Services and Law Enforcement building on page 444, the report provides extensive explanation

regarding why the budget was not carried over into the 2025/26 financial year, yet it fails to explain the underlying problems. This project was nowhere near implementation stage. Environmental and heritage approvals were required because it is a heritage building. Those processes should have been completed in the first year. Allocating R7 million at that stage was premature. The funds will likely only be utilised several years from now. Consequently, money has been tied up in projects with no realistic prospect of progress, while essential maintenance needs remain underfunded. This reflects poor planning and decision-making by management. On page 448, concerning surveillance cameras, members previously visited the centre and observed significant equipment on site. At that time, two issues were identified. A large amount of equipment remained at the IT department and was supposed to be transferred elsewhere. There is no indication in the report whether this transfer occurred. From observation, the equipment still appears to be at IT. If the transfer has not occurred due to infrastructure challenges, the report should clearly state this. Furthermore, the building housing the CCTV centre was already in poor condition during our visit. I have since been informed that the ceilings have collapsed, resulting in closure of the facility. This means CCTV enforcement is currently not operational. The failure to address previously raised concerns has now resulted in infrastructure failure. The ceiling collapse should never have occurred. What has happened to the equipment located there, and is it still functional? Members are justified in expressing concern regarding these matters.

Cllr Mashiya stated that many of the issues she intended to raise had already been addressed. However, she will return to page 439, specifically regarding roadworthy examination testing. The table presents a clear flow of information for other indicators, showing how many vehicles were tested, how many passed, and how many failed. However, for roadworthy examinations, only the figure of sixty-nine is provided. She agree with the concerns raised regarding value for money and operational overheads. However, additional information is required. Does the figure represent vehicles submitted for testing? How many passed and how many failed? The same level of detail should be provided as in subsequent indicators. Secondly, regarding Public Driving Permits, the report reflects 9,571 permits but does not indicate how many applications were received, approved, or rejected.

We should not assume that every applicant automatically receives a permit. Greater clarity is required. Lastly, I request clarification regarding the credit card issues referenced in the report for my understanding.

Cllr Majeke stated that her questions begin on page 447 under the IDP strategic objectives and milestones. An amount of R750,000 was spent during the year under review on the Crime Prevention Strategy. Considering the significant crime challenges faced by the Metro, particularly relating to municipal assets, what tangible benefits have resulted from this expenditure? On page 448, the report reflects areas covered by surveillance cameras. Councillor Walton has already raised concerns regarding monitoring. My questions are as follows: How are CCTV cameras monitored? How are they integrated into crime prevention initiatives? How many cameras installed during the reporting period are currently operational? What is the total number of CCTV cameras owned by the municipality, and how many are functional?

Turning to page 425, Cllr Mashisha stated that the report lists joint operations addressing scrap-metal theft. We are aware that vagrants frequently steal metal infrastructure and sell it to scrap-metal dealers. While some dealers possess police clearance and compliant documentation, this does not prevent illegal trade. What regulatory measures does the Metro have in place to control scrap-metal dealers? Additionally, pages 456 and 457 contain excessive operational detail regarding recovered items. The report should summarise operations and outcomes rather than listing unnecessary detail. Regarding enforcement of municipal bylaws, numerous bylaws exist, including those regulating liquor trading and other activities, yet enforcement remains weak. During festive periods such as Easter, violations relating to noise control, public drinking, unlicensed trading, and other bylaw infractions are common but enforcement is not evident. The question therefore is: how effective has law enforcement been in enforcing municipal bylaws, and what measurable success rate can be demonstrated?

Cllr Majeke enquired as to what is the percentage of success in that regard? She stated that she was not sure what to do with that.

The Chairperson conferred with Cllr Majeke, regarding those issues of law enforcement. We raised the same questions last time. He went on to saying that the committee was informed that there are fewer than 200 law enforcement officers. So, assessing their performance this year is something we need to examine. He enquired as to what was accomplished from the previous year. It was clear that there is low capacity in the law enforcement department was mess. So, given this context, can we continue?

## 9. FIRE SERVICES

The SP referred to page 465, section 3.21 was not clear as to how much was the value.

Cllr Majeke referred committee to section 3.22, page 479 Loan services

Cllr Walton said that he thought that the committee need to ask questions regarding fire safety. They have a call-out system and a budget for fire engines, but it is not clear if the fire engines have been delivered. I've looked through the report, but I cannot see this information. Cllr Walton fire is extremely important and dangerous. On page 478, regarding fire engine procurement: the order for a hand-hand vehicle was submitted on 17 April 25, but delivery is not expected until 24/25 due to time frames. He highlighted that the vehicle is still to be built. This should hopefully happen in 25/26 financial year. Cllr Walton. The expenditure will occur in the next financial saying that this reflects a project planning issue. You should budget according to when items are delivered and paid for, not just when the budget is allocated. He also stated that was why the medium-term revenue expenditure framework, with a three-year cycle, exists. The funds are allocated for the third year, allowing orders to be placed in advance.

Cllr Walton was frustrating for money to be tied up but will only be spent in the next financial year. This causes under-expenditure in our capital. The money was never intended to be spent in this financial year; it is planned for the next. Departments need to budget correctly according to delivery schedules. For example, putting seven million down for a traffic building when heritage approval

hasn't even been completed is a planning issue. These points need to be addressed. Another concern is whether the department has sufficient vehicles for long-term operations. The report mentions a vehicle used for a fire incident, but that is not what stakeholders are concerned with. The key question is whether there is adequate high-rise equipment to fight fires in the trust centre. That assurance is missing. The report includes trivial details, such as 35 kilograms of lead sinkers. This is not the quality expected.

The Chairperson stated that he was aware of what were the issues'

The SP indicated that they were focused on this part.

**[At this stage the meeting adjourned for lunch, the time being 13: 20p.m and reconvened at 14: 30p.m]**

#### 10. GENERAL DISCUSSIONS

The Chairperson welcomed everyone back and handed over for comments

Cllr Jaxa stated that he could not leave out what the Standing Committee of Parliament (SCOPA) raised previously, which now falls under the new Council. He indicated that it was reflected in Chapter Six.

He went on to saying that the issue may come back to legally affect the committee, because councillors in this committee also raised it publicly. I believe we should ask whether there were any improvements following the visit and whether the Council demonstrated progress.

Director: Cogta thanked the Chairperson for the opportunity and went on to saying that she would suggest that the committee instruct the relevant office to prepare a file with dividers indicating, for each financial year, meetings held, attendance registers, and resolutions adopted. This will demonstrate engagement with the public beyond other processes. When presenting the Annual Report, members of the public must clearly see what engagements occurred. The Annual Report should reference this file and indicate that it is available for viewing. Furthermore,

when the final Annual Report is published and placed in libraries, an addendum should be included reflecting these processes. She stated that she strongly advise the committee to adopt the approach. Regarding Chapter Six, the question is how the current situation will change going forward. I was taken aback that this matter appears here, particularly since opportunities existed during the audit process — including communication of findings and requests for information — for management to present its case to the Auditor-General. Going forward, this can still be corrected through the submission being prepared. The Auditor-General must receive this information during the pre-audit phase before the end of the financial year. I would like to investigate this further, as it can still be addressed.

Furthermore, she mentioned that Management responses to findings must link directly to the Audit Action Plan. It has already been resolved in previous sessions that MPAC will conduct quarterly oversight of the Audit Action Plan. Management must submit proof of performance because Internal Audit monitors implementation using that evidence. Internal Audit then provides its review to support MPAC's oversight function. This institutionalised process will help mitigate recurring audit findings. Additionally, the Audit Committee Chairperson should provide independent quarterly recommendations to Council and its committees. This will allow Council to make informed resolutions and improve compliance.

Cllr Majeke stated that regarding non-attendance by councillors, she agreed the issue exists. However, this falls within the Speaker's legislative prerogative. The Speaker must deal with councillors who fail to attend meetings. She went on to saying that the Committee should not necessarily adopt a SCOPA-style approach. But could rather note the misrepresentation of facts and submit clarification to the Auditor-General, but it is unnecessary to compile documentation for every public meeting. Non-attendance is ultimately the Speaker's responsibility, supported by the Whippery.

Cllr Walton highlighted that the Committee previously developed a productive relationship with the Audit Committee, but that relationship has weakened. He said that the committee need to revisit and strengthen it because their expertise is essential. When dealing with Annual Financial Statements, the Audit Committee

possesses significantly greater technical expertise, and we require that support. Regarding the Audit Action Plan, a document was presented to us, but the format is unusable. The first pages repeat findings, and later sections are difficult to read or interpret. This does not enable effective oversight. If management expects us to review the Audit Action Plan, it must be presented in a usable format.

The Chairperson stated that was how the Committee was being treated, and it is upsetting. [Discussion continues – portions inaudible] The Chairperson reminded the committee that its position the previous day was that they would not consider the matter without further explanation from management.

#### 11. CORPORATE SERVICE

The Chairperson highlighted that Corporate Services had significantly improved its chapter in the report. The tables were clearer and easier to understand. However, it did not mean issues cannot still be identified. For the first time, ageing-related matters and HR issues were specifically highlighted. Performance management remains a serious concern. The performance management system was not cascading through the institution. There is insufficient documentation demonstrating performance monitoring below senior management level. This directly affects service delivery outcomes — including customer service failures and operational inefficiencies. He went on to saying that the committee must ask Corporate Services what steps they are taking to ensure full legislative compliance regarding performance management.

The Chairperson mentioned that the committee was informed that a service provider was appointed. Also was the institution receiving value for money from this appointment?

Cllr Majeke stated that the committee should request a narrative explaining this, because the report contains no indication that performance assessments were conducted, even if rewards were not granted. Funds had been budgeted for automation and consultants for two years, yet no results were reflected. On policies — particularly page 568 — improvements are noted, and the committee

should acknowledge that progress. However, Cllr Majeke stated that overtime remains a systemic institutional problem. Council must take a decision because employees appear to rely heavily on overtime income. If this continues, the institution may face future investigations.

Cllr Majeke went referring to page 570, stating that sick leave remained excessively high despite prior commitments to address the issue. Medical costs remain above R2 million. She indicated that the committee should request a clear explanation of interventions undertaken.

The Chairperson stated that the committee should recommend an independent scientific study to determine why employees are frequently absent from work. Oversight recommendations often remain unimplemented after submission.

Cllr Majeke on suspensions, the report reflects only two cases, which is misleading. Actual disciplinary cases are far higher. Management must provide the full picture for the year under review. Additionally, despite significant irregular and wasteful expenditure, no disciplinary action for financial misconduct is recorded. The report even states that information must be obtained from another office, yet the document is already public.

The Chairperson stated that consequence management itself is an Auditor-General finding.

Technical member: Legal stated that the financial misconduct cases fall under the relevant Head of Department; therefore, I cannot comment further.

Cllr Majeke stated that HR reporting also omits trading services despite acting Heads of Department currently serving in Water and Electricity. Furthermore, the organisational structure was last approved in March 2019 and has not been reviewed since. This affects service delivery. Management must indicate when the structure will be reviewed. Additionally, a Standard Operating Procedure submitted by Water and Sanitation in 2020 was never approved. We should ask when this will be finalised.

Cllr Majeke stated that she was not certain, but also under HR Services there is nothing stated with regard to the Trading Services. This was also adopted in the year currently under review. We currently have an Acting HOD for Water and an Acting HOD for Electricity. Even though they are serving in acting capacities, they are now part of the workforce and form part of the current organisational structure. She indicated that it was before the end of June, because it was adopted together with the budget. Cllr Majeke referred to page 51 of the Management Report — specifically under Skills and Capacity within the Infrastructure Department — we note that Human Resources services all directorates. The report states that the organisational structure of VCM was last revised and approved by Council in March 2019, which is a significant concern. No subsequent review has been conducted due to the absence of a governance mechanism to ensure alignment with evolving operational needs.

She went on to stating that it clearly had a direct impact on service delivery. Therefore, the question is: When does management plan to review the current organisational structure? Furthermore, it is stated that the Department of Water and Sanitation submitted one SOP intended to cover both departments. However, this SOP remained in draft form, with an effective date of October 2020, and was never revised, reviewed, or formally approved. Our question would therefore be why this has not been finalised, and when management plans to revise, review, and submit the SOP for Council approval. Since the matter relates to processes outside the year currently under review, our questions should focus on future corrective actions rather than the past reporting period.

Cllr Majeke highlighted that on page 52, the first one deals with what Councillor Mashiya was talking about — the HR monitoring for the next financial year. BCMM should have a yearly strategy in place to plan for the budget, prioritise, and then fill the critical vacant posts within the directorates in order to ensure efficient infrastructure delivery. The management response is that they don't agree with the finding, as some positions were filled post-audit, and directorates are to submit requests for funding of critical posts to be considered in 2025/2026. She stated that the committee should request a PoE in this regard, because they are disputing

it. She went on to the next one the use of consultants, because the committee dealt with that quite a lot, on clause 165 it says that the high vacancy rate resulted in increased workload on existing staff. So this is throughout, and leading to burnout and reduced efficiency, prolonged acting appointments creating stability and accountability gaps.

Without the approved organisational structure, there is a risk of overstaffing or understaffing, leading to unnecessary skills mismatches and everything else. She referred to page 49, clause 157, still at the management report, Cllr Majeke said that the Wastewater and Sanitation Directorate had an overall vacancy rate of only 11%, with Water Services experiencing the highest gap at 16%. She further stated that it tied into overtime that, Councillor Mashiya, was talking about, because if the vacancy rate is low, the people that are currently there will need to work more overtime hours. These vacancies, particularly in key management and middle-management positions, contributed to underperformance in key performance indicators, including water treatment capacity, metering coverage, and the resolution of wastewater complaints within 48 hours. This also ties into the question that we had around turnaround time when it comes to whatever has been reported at the call centre. On the part of Finance — the call centre — Finance was right when it comes to finance matters, so that ties in. And then it says that the root cause, clause 158, stems from persistent budget constraints and an outdated organisational structure, again last reviewed in 2019, which has led to budget proposals failing to reflect current service delivery needs. This is also an issue that came about at ICT, in addition to poor revenue collection. This is a conversation that we are having about when we set our targets to be quite high, and also considering the socio-economic conditions that people currently live in, we won't be able — and at the current rate of tariffs, people are not able to pay all of that —. And we're also not being realistic, which has severely limited funds available to fill vacant posts. I think a question can be: what is management's turnaround plan to try to remedy this current situation? And then clause 159 — my last one — the continued shortages in critical operational, technical, and management posts increase the risk of reduced service delivery efficiency and constrain the municipality's ability to meet its performance objectives. I think with this one we

should find a way of tying it in with what the results have been from the service provider that Council procured for a performance management system. If you had hired someone, they could have said this is what you can do. I think we're trapping them in, basically, because they need to come with that response.

12. BUFFALO CITY MUNICIPALITY DEVELOPMENT AGENCY (BCMDA)

**[BCMDA officials joined the session through Microsoft Teams virtual platform]**

The Chairperson highlighted why the meeting was convened and BCMDA is requested to join virtually. He stated that they gathered here to analyse the annual reports of Buffalo City Metropolitan Municipality as well as that of the Buffalo City Metropolitan Development Agency. In analysing the reports, the Committee experienced difficulties proceeding because the Auditor-General's report was not available. Without the Auditor-General's assurance, the Committee was of the view that the annual report remains incomplete. The Chairperson stated that he did indicate to the Committee that the CEO engaged with me previously and informed me that there was a dispute lodged with the Auditor-General regarding findings classified as a Material Irregularity.

Members therefore requested further explanation so that the matter can be placed on record. The purpose of this meeting is to afford you the opportunity to explain what transpired, provide the necessary details, and enable the Committee to make an informed decision when deliberating on your annual report and annual financial statements. We therefore invite you to present your submission.

Mr Ayanda Gqoboka (Chief Executive Officer – BCMDA): he thanked the Chairperson, and greetings the honourable councillors serving on the Committee. He indicated that they had prepared a written submission which has been shared with the Secretariat following discussions with the Chairperson. My presentation will therefore draw from that submission. The delay in signing off the audit report arises from a dispute between the entity and

the Auditor-General South Africa regarding the issuing of a Material Irregularity forming part of the audit report. Because a portion of the audit report is under dispute, the entire report could not be finalised. On 28 August 2025, the Auditor-General issued a Material Irregularity notification relating to the Water World Project. We submitted a comprehensive response on 9 October 2025 outlining both our position and the corrective actions undertaken by the agency. On 30 October 2025, the Auditor-General concluded that appropriate actions had not been taken and indicated that the matter would be reported in the audit report with referrals to the Special Investigating Unit and the Hawks. We subsequently engaged the Auditor-General during November; however, agreement could not be reached prior to the audit sign-off deadline of 30 November. We therefore invoked the dispute resolution mechanism provided for in the Public Audit Act. The Tier 1 outcome received in January 2026 was not satisfactory to the entity, and we have since escalated the matter through the appeal process.

The Chairperson stated that the Water World Project challenges originated prior to the current administration. During that period, the Auditor-General had oversight of the project and issued audit opinions annually until the site was closed in 2023. Following the appointment of a new board, the entity itself referred the matter to the SIU to investigate and recover any losses incurred.

The CEO mentioned that they had further cooperated fully by submitting documentation and quantifying potential losses. Additional actions included: disputing contractor claims, enforcing contractual rights, instituting consequence management against officials, strengthening internal policies and controls, and recruiting suitable personnel to improve governance. These actions were implemented prior to the issuing of the Material Irregularity notification. The intention of a Material Irregularity process is to ensure reasonable steps are taken to prevent losses, recover funds, address control deficiencies, and implement consequence management. We submit that these steps were indeed taken. Our concern is that issuing a Material Irregularity despite corrective action results in a form of double jeopardy, effectively penalising an institution that has already acted decisively to remedy the

situation. We believe the entity has not been treated fairly and have requested the Auditor-General to reconsider the matter.

The Chairperson thanked the CEO and invited members of the BCMDA team to supplement the presentation. Mr Sabelo Mavundla (Chief Financial Officer – BCMDA): Through you, Chairperson, thank you for the opportunity. The dispute does not relate to the audit opinions themselves. We have not disputed the audit opinion on the annual financial statements, compliance findings, or predetermined objectives. The dispute concerns whether the accounting officer has taken all reasonable steps as required by legislation. During the Tier 1 dispute process, three of the four disputed areas were resolved with the Auditor-General. The remaining matter relates to confirmation of the initial referral to the SIU. The draft audit report reflects no findings on financial statements or performance objectives, with only one compliance finding and the Material Irregularity issue remaining. Measures implemented to prevent recurrence include development of an infrastructure business strategy, strengthening project management frameworks, establishment of governance oversight structures, creation of a centre of excellence, and alignment of delivery mechanisms with ISO quality standards. Regarding recovery, the matter was referred to the SIU, which confirmed receipt of the referral from the agency. Accountability processes and training interventions have also been introduced. Management's position is that reasonable steps have been taken and that the audit report should accurately reflect those actions. The Executive Management thanked Chairperson. In addition to what has been presented, strengthened controls are already being implemented in active projects. We have invited the Auditor-General to assess these projects to verify improvements first hand. One project is currently undergoing a stringent internal audit to demonstrate that governance reforms are practical and operational. This is evidence of a real transition toward improved systems and good governance practices.

BCMDA Representative thanked the Chairperson and Members. She indicated that she would like to emphasise that the organisation is strengthening collaboration with oversight institutions such as the SIU and the Hawks, while

also enhancing fraud awareness within the organisation. We also aim to build a constructive relationship with the Auditor-General so that their involvement contributes positively to strengthening internal processes. The dispute lodged with the Auditor-General is undertaken in good faith and seeks fairness and accuracy within the audit process

The Chairperson thanked the BCMDA delegation for the submissions presented. He then stated that the Committee will proceed with further engagement and deliberations.

**[BCMDA virtual meeting was ended time being 18:00 p.m]**

### 13. DISCUSSIONS

Cllr Mashiya indicated that there was a lack of information because the committee know for a fact what the real challenges are. She said she would not narrow the challenges to permanent positions and senior contractor coordination. We will record serious challenges in supply chain management. Even if we are not detailing delayed contracts, they should be reflected here. The whole issue of irregular expenditure stems from serious systemic management and leadership issues. So the ABC story on page 133 is a misrepresentation of the situation we are dealing with.

The SP indicated that the issue on pages 132 and 133 is supposedly an overview. The actual report should appear under Component D: Other Financial Matters 5.12 on page 623. However, that section is so truncated as to be meaningless. If you look through this entire document, you will not find reference to a single SCM or procurement challenge. We know from the Auditor-General's report that this is far from the truth, yet it is not reflected here at all. Management are putting in the bare minimum and leaving out critical issues raised by the Auditor-General in both the report and the presentation made to us recently. If you look at slide 9 — findings on compliance with legislation, procurement, contract management and consequence management — the problems are clearly outlined. These issues were

extensively highlighted by the Auditor-General's representative. None of them appear in this report.

Independent readers would think the municipality has no problems at all. But the Auditor-General's report tells a different story. This amounts to misrepresentation. When I refer to SCM, I am not referring only to the SCM department but to the entire procurement activity, starting in user departments. If SCM fails, it is not only SCM — user departments are also responsible. The deviations do not start in SCM. They start in user departments that fail to initiate contracts on time. We must be careful not to place blame only on finance.

Cllr Walton indicated that Departments are responsible for their own contracts. They know when contracts expire and should start procurement processes on time. The deviations are largely due to failures by user departments to manage their contracts. SCM issues cut across all departments and directorates. We will look at how to assist departments and formulate appropriate questions.

Cllr Jaxa said that at this stage, supply chain must reflect on all contracts being managed, including performance management. Departments are required, in terms of SCM regulations, to conduct monthly performance monitoring so that challenges are identified early. This would prevent situations where contractors abandon projects without explanation.

The SP indicated that these matters were not reflected in section 2.8 or the appendix pages. We can Moving to page 134 — Bylaws (Section 2.9).The Noise Control By-Law was scheduled for Council on 4 December but does not reflect its status as at 30 June. Reasons should be provided, especially since public participation occurred in February. Additional issues were identified regarding the Fire Safety By-Law, and questions will be prepared.

Cllr Majeke stated that these bylaws are housed within respective directorates. Legal services play only a peripheral administrative role and mainly conduct vetting once drafts are submitted by departments. Departments themselves should respond to the reservations raised.

The SP moving to pages 136–138 regarding the website and social media. She indicated that it is correct that documents are available on the website — Section 52 and 71 reports, for example. The problem is navigation. The website structure makes documents difficult to find. Files are scattered, and users struggle to locate policies. Documents should appear in multiple logical locations. Even I struggled to find certain documents intended for public access. The website navigation is not user-friendly and requires improvement. Regarding Wi-Fi hotspots, some installations are no longer functioning. Questions should be asked about maintenance and sustainability. Facebook growth is positive, but clarification is needed on how “data-free” access works for users not using municipal devices.

Cllr Jaxa stated that some of these issues are already acknowledged in the report, including incorrect folder structures being corrected. Regarding Facebook free mode, users can read narrated content without loading full videos or images, which reduces data usage.

Cllr stated that on satisfaction levels of municipal services: We must express disappointment. For several years, MPAC recommended a community satisfaction summit. Council adopted this recommendation, yet it has not been implemented. Ignoring MPAC recommendations is one matter, but ignoring Council resolutions is another. There must be questions explaining why implementation has not occurred.

He went on saying that as we proceed with oversight, we must review all Council resolutions arising from previous audit recommendations and determine how many have been implemented. Otherwise, we continue making new recommendations without tracking previous ones.

Furthermore, Cllr stated that there was a resolution register on SharePoint, but it only lists headings — not implementation tracking. There is no system ensuring Council resolutions are executed. Council resolutions are not requests; they are instructions. Failure to track implementation leads to

repeated unresolved issues, such as the customer satisfaction survey. This creates a feeling of disrespect toward Council.

The SP suggested that the committee complete Chapter 1 of the municipality today and reconvene tomorrow to focus on entities?

The Chairperson highlighted the inputs on this chapter as discussions which highlighted concerns regarding persistent budget pressures linked to an organisational structure last reviewed in 2019, which no longer aligns with current service delivery demands. These structural and financial challenges are compounded by issues within ICT and poor revenue collection. It was noted that municipal targets may be unrealistic given prevailing socio-economic conditions, as many residents are unable to afford current tariff rates. This has reduced municipal revenue and limited the availability of funds to fill vacant posts. The continued shortage of critical operational, technical, and management staff was identified as a major risk to service delivery efficiency and the municipality's ability to achieve its performance objectives. Members proposed that management present a clear turnaround plan to address these challenges and that the outcomes of the externally procured performance management system be assessed, as the service provider should have recommended corrective measures to improve organisational performance.

It was stated that a resolution register exists on SharePoint but only lists headings, not follow-up actions. This leads to unimplemented resolutions, e.g., the customer satisfaction survey. Council resolutions are directives, not requests, yet they are treated otherwise.

It was stated that the Chapter foreword must align with the body of the report. Water compliance issues are real. Procurement of a hazmat vehicle for R4.9 million and the new Berlin fire station refurbishment are noted. Wastewater treatment works investments since 2016 include unlicensed or non-operational facilities, e.g., Zwelitsha.

The SP indicated that Water losses reported at 37.7% under review should be 41% according to the AG. She further stated that No mention of ongoing challenges with water supply from the Amatola side. CFO must ensure sections correspond with ground realities. Financial accountability, liquidity decline, and financial recovery plan are properly noted. Trading services reforms are mentioned in summary but not detailed elsewhere.

The Chairperson thanked everyone for a constructive day and declared the meeting adjourned.

**(Meeting adjourned at 20:00p.m)**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
WORK SESSION: ANALYSIS OF THE ANNUAL REPORT 2024/25 FY  
MPEKWENI BEACH LOGDE  
17-20 February 2026**

**PROGRAMME: 17 FEBRUARY 2026**

**DAY 1**

09:00 -09:30	OPENING AND READING OF THE NOTICE	CHAIRPERSON: CLLR. S.W. CAGA
09:30 -09:45	ADOPTION OF THE PROGRAMME	ALL
10:00 - 11:00	PRESENTATION: AGSA	AUDITOR GENERAL
11:00 -11:30	DISCUSSION	ALL
11:30-11:45	TEA	
11:45 -12:30	MANAGEMENT REPORT	CITY MANAGER
12:30 -13:00	PRESENTATION AUDIT COMMITTEE	AUDIT COMMITTEE CHAIRPERSON
13:00 -14:00	LUNCH	
14:00 -15:30	PRESENTATION: INTERNAL AUDIT COMMITTEE	INTERNAL AUDIT HEAD INTERNAL AUDIT
15:30 -16:30	DISCUSSION	ALL
16:30 – 17:00	WAY FORWARD	ALL
	CLOSURE	

## PROGRAMME: 18 FEBRUARY 2026

## DAY 2

09:00 -09:30	RECAP OF DAY 1	
09:30 -09:45	METHODOLOGY & APPROACH TO THE ANALYSIS OF ANNUAL REPORT 2024/25	SERVICE PROVIDER
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 -12:30	BREAK AWAY SESSIONS (CHPT. 3 C, D, E, F, G, H, I, J & K)	
12:30 -13:00	GROUP DISCUSSION	ALL
13:00 -14:00	LUNCH	ALL
14:00 -14:30	SERVICE PROVIDER TO TAKE US THROUGH	ALL
14:30 -15:30	GROUP DISCUSSION	ALL
15:30 -16:30	WAY FORWARD	ALL
16:30 – 17:00	CLOSURE	ALL

## PROGRAMME: 19 FEBRUARY 2026

## DAY 3

09:00 -09:30	RECAP OF DAY 2	
09:30 -09:45	BREAK AWAY SESSIONS (CHPT. 4 A, B & D - CHPT. 5 & 6)	SERVICE PROVIDER
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 -12:30	SERVICE PROVIDER	ALL
12:30 -13:00	DEPARTMENTAL ENGAGEMENT QUESTIONS	ALL
13:00 -14:00	LUNCH	ALL
14:00 -14:30	DEPARTMENTAL ENGAGEMENT QUESTIONS	ALL
14:30 -15:30	GROUP DISCUSSION	ALL
15:30 -16:30	REVIEW OF SITE VISITS	ALL
16:30 – 17:00	WAY FORWARD	SERVICE PROVIDER
	CLOSURE	CHAIRPERSON: CLLR. S.W. CAGA

## PROGRAMME: 20 FEBRUARY 2026

## DAY 4

09:00 -09:30	RECAP OF DAY 3	
09:30 -09:45	OPENING REMARKS	CHAIRPERSON
09:45 - 10:00	DISCUSSION	ALL
10:00 - 10:30	TEA BREAK	
10:30 -12:30	SERVICE PROVIDER	ALL
	WAY FORWARD	SERVICE PROVIDER
	CLOSURE	CHAIRPERSON: CLLR. S.W. CAGA



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**NOTES of the WORK SESSION:  
ANALYSIS of the ANNUAL REPORT  
2024/2025 of the MUNICIPAL  
PUBLIC ACCOUNTS COMMITTEE  
for BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
for 2026 held on 17<sup>TH</sup> – 20<sup>TH</sup>  
FEBRUARY 2026 at 09:00 A.M held  
at MPEKWENI BEACH LODGE**

**WEDNESDAY, 20 February 2026**

**DAY: 4**

**PRESENT:**

Councillors:	S. Caga	(Chairperson)
	B. Kalani	
	P. Jaxa	(Arrived 10:30)
	A. Majeke	
	V. Siboyana	
	G.K. Walton	

**APOLOGIES:**

Councillors:	M. Mashiya
	M. Nyusile

**ABSENT:**

Councillors:	B. Sauli
	M. Hlekiso

**OFFICIALS**

ICT Practitioner	(Mr. L. Jongwana)
Senior Committee Secretary: Municipal Public Accounts Committee	(Ms. U. Myoyo)

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 20 FEBRUARY 2026  
DAY: 4**

Committee Secretary: Municipal Public Accounts Committee	(Ms. A. Komani)
Committee Secretary: Municipal Public Accounts Committee	(Ms. G. Gulwa)
Personal Assistance: Chairperson	(Ms. Z. Matika)
Receptionist: Municipal Public Accounts Committee	(Ms. S. Nobongoza)
Communication:	(Mr. U. Xala)
Communication:	(Ms. L. Mnukwa)

1. OPEN REMARKS

The Chairperson tendered an apology on behalf that Councillor Mashiya and Councillor Nyusile wo had other commitments. He stated that the Committee would receive a summary of the previous day's recap from the service provider. He mentioned that during their discussions yesterday about the entity's Annual Report, they decided that they would address the remaining information that was not under dispute with the Auditor-General. Furthermore, he mentioned that as the Committee they had decided not to address the BCMDA's AFS since the audit report and its results had not yet been released.

\*\*\* **[Note: The service provider's recap is attached for ease of reference]**

2. BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY's  
(BCMDA's) ANNUAL REPORT

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DISCUSSIONS

Councillor Majeke pointed out inaccuracies in the document on page No. 777, stating that the BCMDA had no CFO in the Financial Year 2024/2025, as the position was filled in 2025/2026. She requested the agency to correct that error. She also mentioned that there were no reported fraud or corruption incidents and requested a comprehensive list regarding those issues for the current year under review. She noted instances of fraud during the agency's presentation on UIFWE related to Water World Fun Parka and sought clarity on details on page No. 815. She emphasized that the agency should focus on their primary responsibilities and not be involved in housing matters as indicated on page No. 816.

Councillor Walton stated that the details on page No. 822 required the agency to reference page numbers related to the information from the

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 20 FEBRUARY 2026**  
**DAY: 4**

Directorate of Economic Development and Agencies, demonstrating a connection between the two.

Councillor Majeke referred the Committee to page No. 821 and enquired about the tourism operators or industrial investors seeking access to the metropolitan area. She enquired whether the entity had any connections to the Industrial Development Zone (IDZ) and what research institutions they were collaborating with. She stated that previously, the BCMDA had given a presentation to the Committee about their partnership with Vunani Capital and noted that the information was not included in their Annual Report. Concerning the details on page No. 842, she enquired about the agency's partnership with the Department of Local Economic Development and IGR personnel. Furthermore, she enquired whether BCMDA collaborated closely with those groups to achieve results concerning global investment attraction.

Concerning page No. 905, the service provider reported that the information on that page suggested the auditing had been concluded. She stated that the report did not reference the dispute and merely indicated that it acknowledged the opinion, as though the opinion had been officially approved. She stated that it was necessary to address the matters regarding the lack of finalisation.

The Chairperson pointed out that the details provided by the agency were unclear since they failed to include the issue with a dispute they had with the Auditor-General.

Councillor Walton stated that the information was closely related to the Auditor-General's report. He indicated that since the Committee possessed the Auditor-General's report, it would be impossible to receive a report from the Audit Committee concerning the BCMDA's report, as their audited Annual Financial Statements were not incorporated in the actual Annual Report. He stated that the Committee ought to ignore the entire component starting from page 901 and should ask the agency to revise it upon receiving the audit opinion.

Councillor Majeke concurred with the remarks provided by Councillor Walton and suggested that the details on page No. 901 should be omitted. She indicated that the Acting Chairperson of the Audit Committee was the individual who signed off the Annual Report of the parent municipality, and that he should also be the one to sign off the agency's Annual Report, rather than another person.

The Chairperson stated that the Committee ought to take a tea break and thereafter resume with the BCMDA's Annual Report.

**[NOTE: At this stage the meeting adjourned for tea break, the time being 11:27 a.m. and reconvened at 11:55 a.m.]**

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 20 FEBRUARY 2026**  
**DAY: 4**

Councillor Majeke mentioned that the question to be posed to the agency would focus on the activities completed during the current year under review for or all three (3) projects namely: the Inner-City Regeneration, Water World Fun Park, and the Racetrack.

Councillor Walton expressed uncertainty regarding whether the Baby Lee Jegels Recreation Park was transferred to the Buffalo City Metropolitan Municipality (BCMM) in the current financial year or in the previous one; he requested clarification on that matter.

Concerning page No. 778, it was noted that the information was unclear due to the agency's reliance on grants from the parent municipality.

The Chairperson stated that the agency ought to provide an explanation regarding the possibility that they may have generated some form of revenue streams.

Councillor Majeke mentioned that the information found on page No. 844 related to the performance report, and she pointed out that none of the objectives were accomplished. She stated that the Executive Mayor presented information as though progress had been made, particularly regarding the Inner-City Regeneration. She believed that the information was incorrect and pointed out that the Committee required alignment, as there was a lack of consistency between the statements made and the performance report.

She highlighted that the Chief Executive Officer's (CEO's) signature appeared on page No. 765, whereas his title was found on page No. 766.

The Chairperson stated that the agency's report did not undergo a quality review.

The service provider sought clarification on the next steps concerning the site visits scheduled for the upcoming week. She indicated that she would complete a draft questions by noon on Sunday, 22 February 2026, for the Committee to review and provide feedback on. She mentioned that on Monday, they could complete those questions and send them to the departments for the upcoming public participation preparation. She further indicated that the team would initiate their own analysis and compile their findings from the Committee's previous discussions. She stated that their goal was to produce a clean document by resolving concerns that were mentioned and ensuring that the oversight report did not include references to "look and feel" issues. Additionally, she required the Chairperson to follow-up regarding a confirmed report from Directorate of Governance and Internal Auditing which was anticipated on that day. She indicated that the directorate was essential to provide the Committee with a document that met quality assurance standards by the end of the business day on Monday, 23 February 2026.

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 20 FEBRUARY 2026  
DAY: 4**

The Chairperson stated that the Committee concluded its work with the analysis of the Annual Report for both the BCMM and the BCMDA.

Councillor Majeke requested that the Committee verify the locations for the site visits, even though they would finalise the dates at a later time. She expressed that they did not have a complete list for site visits.

In response thereto, the Chairperson noted that the list of site visits was shared with the Committee had sent and focused on the Wastewater Treatment Plant. He stated that while analysing the Annual Report, the Committee identified specific roads to be visited. He mentioned that if there were any additional sites, the Committee could identify them.

Councillor Majeke requested that the Committee be provided with a consolidated list of site visits, including all departmental questions. She requested that the service provider identify the tables with unclear information for each chapter in the Annual Report.

3. CLOSURE

The Chairperson stated that the office would collaborate with the service provider during the weekend to guarantee that by the afternoon of Sunday, 26 February 2026, all revised questions were obtained by the Committee. He expressed his gratitude to the Committee members for their diligent efforts in thoroughly analysing the report, as well as to the service provider and the team. He stated that the Oversight Report would represent all the Committee's discussions. He stated that interactions with the public and within departments were necessary, particularly due to the election year, as discussions may become intense. Furthermore, he mentioned that Councillors should be ready to communicate with the public in an open and satisfactory manner. He expressed his appreciation to the Department of Communication and the MPAC staff for their hard work in organising the venue and notifying the public regarding the events. He expressed that, overall, there was satisfaction with the work completed and the assistance provided by the service provider.

**[The meeting adjourned at 12:40 p.m.]**



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**AGENDA**

**MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE  
MEETING**

**13 MARCH 2026**

**10:00AM**



**BUFFALO CITY**  
METROPOLITAN MUNICIPALITY

## **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Notice is hereby given that the **FIRST (1<sup>ST</sup>) PUBLIC HEARING** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026 will be held on

**Friday, 13 MARCH 2026**

at

**10:00 A.M**

at

**SKENJANA ROJI COMMUNITY HALAL**

**COUNCILLOR: M.P. BASOPU**  
**CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Um  
(SUBAGENDAS/2017/MPAC)

265 Oxford Street,  
EAST LONDON  
06 MARCH 2026

**MEMBERS:** (10)

**QU**

Councillors:	M.P. Basopu	(Chairperson)
	M. Hlekiso	
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G. Walton	
	Vacant	
	Vacant	



**BUFFALO CITY**  
METROPOLITAN MUNICIPALITY

## **A G E N D A for the FIRST (1<sup>ST</sup>) Public Hearing**

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Apologies.
4. Adoption of Agenda
5. Introductions
6. Purpose of the Public Hearings
7. Engagement with Directorates:
  - 7.1 Spatial Planning and Developments
  - 7.2 Sports, Recreation and Community Development
  - 7.3 Economic Development and Agencies
8. Closing Remarks
9. Closure



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**AGENDA**

**MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE  
MEETING**

**16 MARCH 2026**

**10:00AM**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

## **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Notice is hereby given that the **SECOND (2<sup>ND</sup>) PUBLIC HEARING** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026 will be held on

**Monday, 16 MARCH 2026**

at

**10:00 A.M**

at

**NU 10 COMMUNITY HALL, MDANTSANE**

**COUNCILLOR: M. BASOPU**

**CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Um  
(SUBAGENDAS/2017/MPAC)

265 Oxford Street,  
EAST LONDON  
13 MARCH 2026

**MEMBERS:** (10)

**QUORUM**

Councillors:	M. Basopu	(Chairperson)
	M. Hlekiso	
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G. Walton	
	Vacant	
	Vacant	



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

## **A G E N D A for the SECOND (2<sup>ND</sup>) Public Hearing**

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Apologies.
4. Adoption of Agenda
5. Introductions
6. Purpose of the Public Hearings
7. Engagements with Directorates:
  - 7.1 Public Safety
  - 7.2 Human Settlements
  - 7.3 Solid Waste and Environmental Management
  - 7.4 Emergency Services
  - 7.5 Corporate Services
8. Closing Remarks
9. CLOSURE



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MINUTES** of the **PUBLIC HEARINGS** meeting of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of **BUFFALO CITY METROPOLITAN MUNICIPALITY** held on **MONDAY, 16 March 2026** at **10:00 A.M.** at **NU10 Community Hall, MDANTSANE**

**DAY: 2**

PRESENT:

Councillor	M.P. Basopu	(Chairperson)
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	B. Siboyana	
	G.K. Walton	(7)
	Vacant	
	Vacant	

ABSENT:

Councillors:	M. Hlekiso	(1)
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OFFICIALS

Acting City Manager	(Mr. L. Mbula)
Head of Directorate: Public Safety and Emergency Services	(Adv. B.A. Mzimba)
Acting Head of Directorate: SW&LM	(Mr. L. Madikizela)
Regional Manager: Municipal Health Services	(Mr. S. Gqaliwe)

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General Manager: Environment Management	(Mr. Q. Mpothula)
General Manager: Solid Waste	(Ms. N. Daniel)
(OFFICIAL CONTD.)	
General Manager: Emergency Services	(Ms. N. Dom)
Assistant Manager: Operation Disaster Management	(Mr. S. Qotsini)
Senior Costal: Swimming Pools	(Ms. L. Eyol)
Deputy Chief: Fire Officer	(Mr. Matolengwe)
Commander: Traffic Services	(Mr. Q. Chetty)
ICT: Practitioner	(Mr. L. Jongwana)
Program Manager: Municipal Public Accounts Committee	(Ms. N. Nzwana)
Senior Committee Officer: Municipal Public Accounts Committee	(Ms. U. Myoyo)
Committee Secretary: Municipal Public Accounts Committee	(Ms. A. Komani)
Committee Secretary: Municipal Public Accounts Committee	(Ms. G. Gulwa)
Personal Assistant: Municipal Public Accounts Committee	(Ms. B. Bacela)
Admin Assistant: Municipal Public Accounts	(Ms. L. Molose)
Receptionist: Municipal Public Accounts Committee	(Ms. S. Nobongoza)
Messenger: Municipal Public Accounts Committee	(Mr. S. Fama)
Office Attendant: Municipal Public Accounts Committee	(Ms. Y. Lamati)
Office Attendant: Municipal Public Accounts Committee	(Ms. Y. Kwayimani)

**IN ATTENDANCE**

MMC: Public Safety and Emergency Services	Cllr. A. Maxongo
PR Councillor	Cllr. T. Botha
Acting District Officer	Mr. L. Matloto
REC: PAC	Mr. K. Mtyubelo

**1. CHAIRPERSON'S REMARKS**

The Chairperson welcomed all the attendees to the Municipal Public Accounts Committee (MAPC) Second (2<sup>nd</sup>) Public Engagements held at N.U. 10 Mdantsane Community Hall, and allowed the Committee members to introduce themselves, which was duly done.

**2. READING OF THE NOTICE**

The Chairperson read the notice convening the meeting.

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The Chairperson allowed an opportunity for silent prayer or meditation.

NOTED4. APOLOGIES

Councillor Siboyana tendered an apology on behalf of Councillor Kalani, who was on his way to the meeting.

NOTED5. ADOPTION OF AGENDA

Councillor Kalani seconded by Councillor Mashiya moved to adopt the agenda with amendments.

NOTED6. PURPOSE OF THE PUBLIC HEARINGS

The Chairperson clarified that the gathering was not an IDP but rather a Public Participation session aimed at addressing questions to the appropriate department regarding the Committee's analysis of the Annual Report. He then outlined the purpose of the MPAC's Public Engagements and read a piece from the legislation framework.

\*\*\* **[a copy of legislation framework is attached hereto for easy reference.]**

He indicated that the first engagement would be with the Directorate of Economic Development and Agency Services and then invited the City Manager to introduce the officials, which was duly done.

7. DEPARTMENTAL ENGAGEMENT: PUBLIC SAFETY AND EMERGENCY SERVICES

The Chairperson welcomed the Portfolio Head: Public Safety and Emergency Services and her officials to the session. He gave clarity that the department was called by MPAC to account publicly. He then allowed the Portfolio Head to introduce his team, which was duly done.

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The department was enquired about the time they submitted the written responses to MPAC, as the Committee did not have any copies.

In response thereto, the Head of Department noted that their responses had been submitted to the MPAC office the day before.

Councillor Walton acknowledged that the department had provided their written responses the previous night and indicated that the Committee lacked sufficient time to consider them. He expressed that the delay from the department was unacceptable.

The Chairperson requested 10 minutes for the Committee to determine the appropriate course of action concerning the issue of responses received the previous night.

**[NOTE: At this stage the meeting adjourned for an In Committee meeting, the time being 10:33 p.m. and reconvened at 11:07 p.m.]**

The Chairperson welcomed the Speaker of the Council and noted that a regulation of the Council required departments to submit responses to MPAC in time. He mentioned that one department informed the Committee that they had been advised the MPAC's Public Participation events would be delayed due to a reshuffle. He clarified that the officials were not involved in the reshuffling and emphasised that operations should continue as normal. He also pointed out that the agenda had been modified to include three (3) departments, with the Department of Corporate Services excluded from that day's agenda. He requested the City Manager to explain why the department did not submit their responses to the Committee promptly.

The City Manager stated that he was aware that MPAC provided the departments with questions, as his office was included in that email. He stated that he was not clear on the timeline for responses and only knew that the departments needed to submit their responses to the MPAC office promptly. He requested that the HoD: Public Safety and Emergency Services provide a response on that matter.

In response thereto, the HoD: Public Safety and Emergency Services stated that her department received the questions on 10 March 2026, at 11:06 P.M., which were considered the following morning. She noted that those questions had to be distributed across various sections of the department, and that she required their responses to be returned by 13 March 2026, which created a tight timeline. Furthermore, she remarked that over the weekend, she needed to onboard the Portfolio Head while also preparing to submit those responses to the MPAC office concurrently. She emphasised that there was insufficient time for her department to generate and submit the responses sooner.

The Chairperson stated that the MPAC office would verify the precise timing of when those questions were forwarded to the department.

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Councillor Jaxa noted that the comments made by the City Manager were correct in that, according to the regulations, there was no specified deadline for departments to provide their responses.

Councillor Majeke stated that the initial email was sent to the department, the office of the City Manager, and the Heads of Departments on 9 March 2026 at 11:00 p. m. She noted that, according to the Council's regulations, the departments were required to provide their responses within 24 hours. She emphasised that the officials of the Institution should concentrate on their responsibilities, even amidst a change in Administration.

The Chairperson indicated that the City Manager ought to consider the remarks made by the Committee members. He elucidated that if someone was designated to act in place of the City Manager, the Committee would require a written memorandum confirming that arrangement. He pointed out that the Department of Public Safety and Emergency Services employed one woman and mentioned that the Auditor General of South Africa had equity, which might lead to an audit enquiry. He subsequently requested the General Manager: Public Safety and Emergency Services to address that issue.

Councillor Mashiya raised a concern regarding the time taken and its effects on the security situation. She mentioned that the Committee had conducted an oversight visit to the Zwelitsha Wastewater Treatment Plant (WWTP) to evaluate its operational status. She highlighted that a large plant had yet to begin operations, but it had suffered vandalism and theft of new cables. Furthermore, she stated that the Committee had enquired with the Department of Infrastructure Services about security matters, which responded that it could not manage security arrangements as they had been centralised. She sought clarification on the temporary measures in place and enquired about the reasons for the institution's financial losses. She pointed out that when line managers were enquired about site security, they referred the issue to the Department of Public Safety and Emergency Services.

Councillor Majeke directed the meeting to the portion of the Annual Report concerning 'Security Management and Vandalism,' which covered Risk Assessment, G-Tech, Vandalism, and Private Security. She posed the following questions: What were the main findings and suggestions of the 2019 G-Tech study. She added that could the Municipality provide a comprehensive report on the current status of implementation. Additionally, she enquired which recommendations had been put into action, and which ones were still pending. She further enquired what was the overall financial value of the recommendations that had yet to be executed, and what had been the financial impact of that delay on the Institution.

In response thereto, the Portfolio Head: Public Safety and Emergency Services indicated that the Zwelitsha WWTP had physical security measures in place in the interim. She added that the Water and Sanitation Trading Services would address the security concerns. She mentioned that there were cameras installed at the Zwelitsha WWTP, and she acknowledged the issue of vandalism, which had been categorised as a crisis within the Buffalo City Metropolitan.

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Councillor Majeke enquired of the Portfolio Head: Public Safety and Emergency Services to specify the exact locations of the cameras at the Zwelitsha WWTP, the duration for which the footage was stored, and whether such footage was accessible upon request by individuals.

The Chairperson requested that the Head of Department: Public Safety and Emergency Services to address the matter of security. He noted a general concern regarding security throughout the city and recalled that on his first day to MPAC offices, there was no security personnel present, and the gate was unlocked.

The Portfolio Head: Public Safety and Emergency Services acknowledged the presence of cameras at the Zwelitsha WWTP; however, she stated that she could not disclose further details. She indicated that she had engaged in discussions with the Department of Water and Sanitation regarding the recruitment of in-house security personnel, who would receive regular training.

Councillor Majeke stated that the Committee requested the department to respond only with a "yes" or "no" regarding the presence of cameras at the Zwelitsha WWTP.

In response thereto, the Portfolio Head: Public Safety and Emergency Services stated that there were indeed cameras at the Zwelitsha WWTP and were being monitored; however, they could not specify the exact location from which the monitoring occurred.

Councillor Majeke stated that the Committee should visit the location where the CCTV cameras were monitored from to determine if the cameras were indeed functioning. Regarding private security compared to permanent staff, Councillor Majeke requested that the department submit a comprehensive cost-benefit analysis that compared the ongoing expenditure on private security with the expenses associated with hiring permanent staff over the past three (3) years. She enquired whether the use of private security was a short-term solution or a long-term approach. If it was indeed a long-term strategy, the department should explain why that approach was more financially viable than developing internal capabilities. In response thereto, the Portfolio Head: Public Safety and Emergency Services stated that a tender to obtain the security services had not been finalised and was still in the bid process. She noted that the BCMM security guards were working at task grade 3 and that their annual income costs were high, while private security was 75% less expensive than the current in-house security scale. She stated that until the tender process was finalised, and contracts were active and established, the department would regard that private security as a temporary measure.

Councillor Walton directed the meeting's attention to pages No. 432 & 434, which addressed vandalism. He enquired what exact measurable goals were established for the private security contractors to reduce vandalism and whether those goals had been achieved. He requested the department to supply detailed instances of joint operations carried out in the previous 12 months and the count of successful prevention outcomes stemming from those collaborations with law enforcement and the community. He also enquired whether the community safety forums were operational. He requested the department to supply the Committee with the minutes from the last four meetings as proof that the community safety forums were indeed functioning.

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The Portfolio Head: Public Safety and Emergency Services mentioned that the BCMM currently holds a short-term agreements with security service providers responsible for safeguarding infrastructure and access control. She indicated that the state of BCMM infrastructure presents security challenges due to poor perimeter fencing, inadequate lighting, and lack of technological measures. She mentioned that issues with technology such as camera usage were evident.

The HoD: Public Safety and Emergency Services stated that the Law enforcement services carried out collaborative operations with the SAPS and different stakeholders in safety, based on the type of operation intended. She mentioned that the Law Enforcement scheduled weekly planning sessions with the SAPS for those joint operations.

Councillor Mashiya enquired about the status of the security measures for KWT WWTW, Beacon Bay WWTW, and Zwelitsha WWTW, which lacked cameras. She stated that the GM: Water and Sanitation, who was the acting HOD: Water and Sanitation at that time, informed the Committee that the last security staff present was from the contracting company, and once the company departed, the site was left unprotected. At Beacon Bay WWTW, she mentioned that the sewage was intolerable, all the fans were disabled, and individuals entered and vandalized the place which could have been prevented with cameras present on site.

Councillor Majeke noted that the Municipality's role was to stop scrap metal dealers from pilfering from the Buffalo City Metropolitan and to address law enforcement issues. She highlighted that raids had been carried out to verify that scrap-metal dealers possess the required documentation from SAPS. She enquired how frequently were those raids conducted with SAPS.

Concerning scrap-metal dealers, the HoD: Public Safety and Emergency Services noted that the second-hand goods Act No. 6 of 2009 required SAPS to handle accreditation, dealer registration, and provides SAPS officials with authority for routine inspections, entry, searches, seizures, seal-off warrants, and general offense-related provisions and penalties. She stated that the problem impacted the BCMM infrastructure, they were addressing it through collaborative efforts. She stated that Those efforts had resulted in successful outcomes, including arrests. She noted that the operations that were conducted with the SAPS in February 2026 led to the cases being filed at different police stations. She further emphasized that the Act distinctly outlined the regulations for each officer. When a specific officer is assigned to that task, no other officer should interfere with it. She stated that if a law enforcement officers were unable to carry out the duties outlined in the document that person was meant to be executed by the SAPS.

Councillor Mashiya posed her question to the City Manager, noting that the AHOD: Water and Sanitation expressed their frustration about the security services that were no longer under their jurisdiction but were transferred to Public Safety and Services. She asked the City Manager to provide the Committee with the information on who was accountable for the loss that they observed in Zwelitsha and Beacon Bay WWTW and that they request a report on that.

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In response thereto, the City Manager mentioned that he would examine the matter and consult with the two departments. He indicated that he would provide a report outlining where the shortcomings occurred along with the corrective actions they would implement.

Councillor Mashiya raised a question regarding the parking meter system, noting that the Annual Report highlighted delays in procurement processes related to providing the municipality with functioning and efficient parking meter systems. She enquired about the overall financial loss, if there was any, regarding revenue that could have been generated but was not due to the lack of this system. She enquire if the department had any temporary solutions, manual or otherwise, to handle the parking situation and if there were no measures established, she enquired was the business continuity plan created.

The Portfolio Head: Public Safety and Emergency Services noted that concerning the Parking Management System, the contract was first announced on 08 March 2024 and ended on 16 April 2024. She stated that they did not get any interested bidders for that. Indicating that the department was in the midst of re announcing the specification, which received approval from the BSC1 and was set to be submitted for advertising by the end of March 2026. Concerning the loss, she mentioned that the parking management system was still in development; violators were prosecuted regarding our parking duration, which included vehicles parked on yellow and red lines in the CBD.

Councillor Majeke enquired if there were any concerns related to the staff functionality at the fire station on Fleet Street and whether it had been fully operational in February 2026 and March 2026 due to pest issues.

Councillor Jaxa enquired why the emergency service personnel were not dressed in their official uniforms for the meeting as they typically do.

The HOD: Public Safety and Emergency Services stated that the emergency service personnel do wear their uniform during policing events and daily while on duty and apologised on their behalf for not having the uniform on that day.

Councillor Jaxa directed the Portfolio Head: Public Safety and Emergency Services to the last paragraph on page No, 434 of the Annual Report. He enquired about her plan regarding the break-ins and vandalism that occurred in the Ward Councillors' offices, especially in the revenue offices. He additionally enquired if the Councillor's rental offices were not strategically important enough to require a 24-hour security.

The HoD: Public Safety and Emergency Services emphasized that every structure, facility, and person was significant. She indicated that when a physical guarding was put into place, it was done according to the minimum standards necessary for physical security guarding. She stated that cash offices were heavily secured, particularly since it was recognised that individuals would try to infiltrate them. She stated that the rent offices possessed cameras and also utilise other security features such as burglar bars, etc.

Councillor Jaxa noted that a backup generator for the Braelyn testing station was said to have been acquired and installed, but the Committee observed a delay in

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the procurement and installation process. What is the current situation and when will it be completely functional.

The Portfolio Head: Public Safety and Emergency Services stated that the Generators for the Braelyn testing station were set up on 11 February 2025, and KWT traffic. She mentioned that the project's total value was R1.6 million and that the renovation of the law enforcement office was in progress, with 4 new offices being added to the building, nearly completed. She mentioned that the fencing and access gates at the law enforcement site had also been improved.

Councillor Jaxa noted that reports showed poor results in roadworthiness tests and present statistics from the previous quarter. He enquired about the number of vehicles tested, the count of compliant and non-compliant ones, and the backlog for public driving permits based on the department's applications. He also enquired about the typical duration for receiving the application result.

The Portfolio Head: Public Safety and Emergency Services indicated the reason for the low performance in vehicle testing at BCMM was mainly due to the public's preference for more convenient private testing stations, as there were currently six (6) in the coastal area and three (3) in the Inland area. She mentioned that the motorists had many options and were not required to use the Institution's facilities, which only had two (2) testing stations. In addition, she stated that the Traffic Services did not control that, as it fell under the Provincial Department of Transport, which BCMM acted as an agent for. She stated that In the last quarter, twenty-four (24) vehicles were tested, with fifteen (15) compliant and nine (9) non-compliant. She indicated that for Public Driving Permits (PDP), there were currently no delays with applications. However, she noted that the process was different from standard driving license applications because it required police clearance, which could take up to six (6) weeks. She stated that any delays, if they occur, would be due to external factors, such as the time taken for police reports to be uploaded to the Life Enrolment Units (LEU) machines.

Councillor Walton directed the meeting to page No. 439 of the Annual Report, which stated that a total number of roadworthy examinations conducted was sixty-nine (69), with some tests passed and others failed. He enquired about the possibility of keeping those testing centres operational if they were testing sixty-nine (69) vehicles annually.

The Portfolio Head: Public Safety and Emergency Services stated that the infrastructure was already in place and that they needed to deliver that convenience to the residents of Buffalo City Metropolitan. She added that the performance results for the evaluation period were related to the municipality's role as a Provincial Department agent. She added that, while the infrastructure was already in place, the city was still responsible for delivering the service as part of its mandate, thus it had not been closed and the Institution was not operating at a loss.

The Chairperson added that the Portfolio Head: Public Safety and Emergency Services stated that no traffic fine objectives had been established. He enquired why did the Institution failed to establish a performance target for this critical revenue stream and road safety management. He also enquired what was the current monthly average for fines issued and how it compared to past years.

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Responding thereto, the Portfolio Head: Public Safety and Emergency stated that the annual target was set for collection of traffic fines at R8 million, and the total revenue collected was R11.9 million at the year under review. She mentioned that the annual target set for the Financial Year: 2025/2026 was R10 million with a quarterly target set at R2.5 million and the total revenue collected to date was R6.5 million, with an outstanding amount of R3.54 million still to be collected by the end of this current financial year. She indicated that the offenders could not be compelled to pay the fines as they had the right to submit representations on that through the courts of the country and although every effort was made to notify offenders of outstanding fines. She stated that looking at the numbers the targets would be met.

With regards to crime prevention and bylaws, the Chairperson indicated that the security risk analysis and procurement funds were available, yet procurement was delayed. He enquired what caused the administrative failure and what consequence management had been applied. He further asked what was the status of the Information Technology (IT) equipment transfer and how many cameras were there in the Institution and were they currently operational and actively monitored. He added that what specific bylaws/measures were in place to regulate second-hand metal dealers and scrapyards to cap theft of municipal infrastructure. Lastly, he enquired how many inspections of those businesses were conducted in the previous year.

On the issue of surveillance, The Portfolio Head: Public Safety and Emergency Services indicated that there was a CCTV locations and status information that was currently in place, but she could not share to the public for security reasons. However, she stated that the new CCTV cameras had been installed in the King Williams Town traffic department and were currently being viewed in a location that could not be disclosed. She stated that the Ebuhlanti, and Cambridge pump stations were also being procured. She indicated that the issue of metal scrapyards the HOD had gone through it.

Councillor Majeke indicated that it was stated in the report that the tender had been withdrawn and new specifications had been compiled and would be submitted for approval in the month. She enquired why was the tender withdrawn and why did the department wanted to have new specification in place.

The HoD: Public Safety and Emergency Services indicated that the CCTV camera tender was advertised, and it was nonresponsive. She mentioned that when it was advertised it was awarded. Due to the audit process, she stated that the tender was cancelled because the Auditor-General deemed the tender irregular. With regards to that, she mentioned that the contract had to be cancelled, and be procured again. In addition, she mentioned that they added other requirements in the specification because of those other entities. However, she indicated that there were areas that had already been identified in the service delivery budget and implementation plan which required CCTV cameras and some of which were hotspot areas and others in the SDBIP.

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Councillor Majeke enquired about the cause of the irregularity pointed out by the Auditor-General and whether the department had procured that contract for CCTV cameras as a temporary solution following the withdrawal of that tender.

The HoD: Public Safety and Emergency Services noted that the CIDB was the point of contention. She indicated that, regardless of whether it was a necessary requirement, it was the aspect challenged by the Auditor-General. She indicated that they had not made any deviations regarding the contract.

Councillor Kalani stated that his Questions derived from the annual report on page No. 465 to 479 under 'Fire Services'. He indicated that the Committee needed to know why was the money being spent on private security without any long-term plan capital on projects like the parking systems which were installed and department losing money. He added that why were core regularity functions like roadworthy testing and by law enforcement underperformed. He enquired the department to Provide the current status of the firefighter's fleet and how many trucks were currently operational and those out of service. He further asked what was the current budget shortfall for the fire fighter equipment and that the department to provide a list of top five (5) critical equipment items which were needed immediately and a plan to procure them. The HoD: Public Safety and Emergency Services stated that at present there were three (3) primary pumpers and three (3) water tankers on site. She indicated that the operational budget for equipment, firefighting foam concentrate, and biohazard materials would be supplied by the provincial Disaster Management. She mentioned that the personal protective equipment (PPE) would be acquired as per the budget allocation and that firefighting hoses, nozzles, and other necessary equipment were presently being purchased to facilitate the service delivery. A 6000L water tank was also being purchased and was presently on order.

Furthermore, she indicated that the local government employs mechanics who were presently engaged in the restoration of three primary water tanks. She stated that while monitoring, they engaged with officials in charge of the issue and observed the newly acquired fire engine. However, due to its complex nature, the HoD: Public Safety and Emergency Services would give a thorough description of the equipment and its advantages. She stated that the city once had an outdated hazmat vehicle that had now been replaced with a newly received hazmat vehicle for the BCMM. Lastly, she indicated that the General Manager for Emergency Services was the responsible official presents and stated that he should explain the new hazmat vehicle and its features, as he was directly involved in its design and development.

The GM: Public Safety and Emergency Services stated that the hazmat vehicle had been in disrepair since 2017. He mentioned that during the financial year, they acquired that hazmat unit which focused on handling the substances. He clarified that the vehicle was designed to handle all kinds of chemicals and dangers that might be encountered in the city. He mentioned that the provincial Disaster Management Centre consented to supply the department with twelve (12) barrels of foam concentrate.

Councillor Kalani expressed that, with winter approaching, his primary worry was the shacks since they were highly flammable. He enquired about the number of trucks that were operational in the event of a fire disaster. He also enquired about how many were still operational and how many required repairs.

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In response thereto, the Portfolio Head: Public Safety and Emergency stated that the department had three (3) major pumpers and three (3) water tankers for firefighting, making a total of six (6) currently operational and in use. She mentioned that out of a total of five (5), three (3) main pumpers and two (2) water tankers were in the process of being repaired. She indicated that there were sufficient trucks available for emergencies.

The Chairperson observed that the Portfolio Head: Public Service and Emergency Services seemed knowledgeable before the committee and attempted to answer questions directly instead of handing the microphone to her team. He mentioned that it demonstrated a clear grasp of the executive function, especially in terms of monitoring and evaluation, and suggested that adequate oversight was being applied within the portfolio. He subsequently stated that it was time for the audience to ask their questions to the department

### 8. DEPARTMENTAL ENGAGEMENTS

A Community Member enquired about the CCTV at the Qumza Highway and also mentioned the issue of Wi-Fi in their Ward.

A Community Member raised a frustration with regards to the Mtsotso Cemetery indicating that it was difficult to locate their family members and she was give no assistance to it at the BCMM offices.

Responding thereto, the Portfolio Head: Public Service and Emergency Service stated that procurement had established plans as part of its administrative processes, which had already been forwarded to the National Treasury. Concerning the CCTV cameras contract, she noted that the issue was previously addressed by the HoD: Public Service and Emergency Service. She mentioned that the HoD: Public Service and Emergency Service would restate the response given earlier. She also indicated that Disaster Management is accessible throughout the city during the occurrence of a disaster.

The HoD: Public Service and Emergency Service stressed the importance of a solid collaboration with the SAPS, which was evidenced by shared operations and community involvement. She indicated that the procurement plan were included in the budget, alongside a terminated Auditor-General referenced contract to pursue new services, particularly concentrating on software enhancements.

The City Manager acknowledged the comments from community members regarding the records for Mtsotso Cemetery and explained the access rights according to the Promotion of Access to Information Act 2 of 2000, and outlined the Auditor-General's findings, indicating that the Management would resolve the issues by March for follow-up audits.

The Chairperson expressed gratitude to the Department of Public Safety and Services and stated that all questions that remained unanswered, the Committee should receive a written responses on them within 24 hours.

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**MPAC PUBLIC ENGAGEMENT: MDANTSANE 16 MARCH 2026****9. DEPARTMENTAL ENGAGEMENT: SOLID WASTE AND ENVIRONMENTAL MANAGEMENT**

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The Chairperson welcomed the Portfolio Head: Solid Waste and Environmental Management and her officials to the session. He gave clarity that the department was called by MPAC to account publicly. He then allowed the Portfolio Head to introduce his team, which was duly done.

Councillor Mashiya pointed out that there had been better responses regarding Waste Management, with the necessary detailed information provided which addresses the challenges and accomplishments since the previous year.

Councillor Majeke inquired about the current number of trucks they had on hand and noted that out of that total, the department had hired 9 TLBs while stating that only 7 TLBs were required. He also mentioned that the department acquired a specialised social waste fleet to avoid interruptions in waste management services which included its own personnel. Moreover, he pointed out that in addition to hiring a new fleet they were obligated to cover labour costs despite having their own staff within the Institution. He questioned whether that approach was financially sustainable.

The Portfolio Head: Solid Waste and Environmental Management stated that the Fleet Department was separate from the Solid Waste Department and emphasised the importance of making that clear to the community members. She noted that the department was conducting a cost-benefit analysis to determine the most effective method for providing fleet services for waste management.

The GM: Solid Waste and Environmental Management indicated that the study indicated the need for sixty compactor trucks, with challenges in service delivery due to vandalism and theft. She indicated that the department recognises that the existing waste collection model was established when the Buffalo City was smaller, and thus it was necessary to assess whether that conventional method remained appropriate for the city's current expansion and service requirements.

Councillor Walton noted that the Chairperson had clarified that the Annual Report template served merely as a guide and was not the definitive source of what information should be included. He indicated that the template offered ample space and opportunity to address all pertinent matters. Indicating that the Committee did not accept the reasoning that certain information could not be included due to limitations of the template. He stressed that the departments were required to comprehensively report on all relevant issues, regardless of the template's format.

The Portfolio Head: Solid Waste and Environmental Management indicated that the department did their reports and work, and that the issue was the template.

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The Chairperson stated that the Committee observed that one of the landfill sites mentioned was owned by a private entity. He enquired whether the municipality had established a Service Level Agreement (SLA) with the private landfill operator and whether there existed a formal contract that governed the relationship and performance management between the municipality and the private landfill site.

In response thereto, The Portfolio Head: Solid Waste and Environmental Management stated that they had an arrangement with the private sector in Gonubie, specifically with the service provider Rieger. She indicated that she asked her General Manager for further elaboration on the topic.

The GM: Solid Waste and Environmental Management stated that the municipality depended on Rieger for garden waste disposal and that the city intended to establish its own facilities to enhance service coverage and decrease reliance on external sources.

Councillor Walton noted that the annual costs related to the contract had not been addressed. He enquired if the entire cost of the contract had been completely accounted for in the budget, specifically whether a designated amount had been set aside for that purpose.

Councillor Majeke enquired about the environmental spills caused by infrastructure that were impacting beaches and public health. She requested to know the actions taken by the Department of Environmental Health in response to that issue.

Councillor Walton posed a question about the budget that remained unanswered, stressing that a response was still needed. He inquired about the total number of participants recruited for the current year under review. He further enquired whether the recruitment of those participants were beneficial to the city.

The Portfolio Head indicated that she would obtain the report from Mr. Rieger and subsequently present it to the Committee. She noted that the department had assigned a total of participants to the program, specifically the PAP program with 400 participants, the EPWP with 2,500 participants, and the DFFE with 150 participants.

Councillor Mashiya voiced her dissatisfaction regarding the standard of the responses and documents submitted to the Committee. She noted that the responses did not correspond with the questions that were made, and that the information presented was frequently irrelevant or insufficient. She urged that, following the session, the relevant parties should supply precise and well-aligned responses. She stressed that the existing document was insufficient and hampers the Committee's ability to generate an accurate report. She reiterated the necessity for correct, clear, and thorough information moving forward.

### 10. DEPARTMENTAL ENGAGEMENTS

A community member raised an issue with regards to the black plastics that were not distributed in her area.

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Furthermore, another community member raised an issue of a Councillor that reside at the Gonubie Chalets for free. He asked if the Portfolio Head: Solid Waste and Environmental Management was aware of that.

In response thereto, the Portfolio Head: Solid Waste and Environmental Management indicated that the black refuse bags were distributed to the community twice a year. She noted the other comment that was made.

**[NOTE: At this stage the meeting adjourned for lunch break, the time being 1: 05 p.m. and reconvened at 1:35 p.m.]**

### 11. DEPARTMENTAL ENGAGEMENT: HUMAN SETTLEMENT

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The Chairperson welcomed the Portfolio Head: Human Settlement and his officials to the session. He then allowed the Portfolio Head to introduce his team, which was duly done.

Councillor Jaxa directed the meeting to the Audit Report on page 14 and noted that inadequate coordination resulted in a holdup in the NHBRC enrolment, which in turn caused a delay in the overall project completion. He enquired whether they acknowledged that finding as an accurate representation of shortcomings in planning and coordination.

In response thereto, the Portfolio Head: Heman Settlement mentioned that they accepted the Auditor-General's findings. He indicated that the Human Settlements relied on coordination with various departments for housing development. He explained that delays stem from interdependencies and policy changes, necessitating completion of internal services before housing construction approvals.

The HoD stated that the Human Settlements Directorate underwent a reorganization in 2008, which had led to it becoming an integrated service provider in the area of housing. He mentioned that a phased approach allowed services to be provided prior to the construction of the main structure. He stated that the process required necessary approvals and enrolment with the National Home Builders Registration Council (NHBRC), which the Province oversee to ensure both funding and quality maintained.

The Chairperson stated that it was indeed accurate to assert that constructing houses was the responsibility of the government. However, in that process, He mentioned that certain municipalities, specifically Buffalo City Metro Municipality and Nelson Mandela Bay Municipality had been authorised to proceed.

The City Manager stated that Human Settlements was a responsibility designated by the constitution to both National and Provincial levels, with municipalities executing it through delegation. He stated that once that function was delegated to a municipality via an agreement, the municipality was required to adhere to the conditions established by the delegating authorities. He mentioned that the

## MPAC PUBLIC ENGAGEMENT: MDANTSANE 16 MARCH 2026

obligation encompasses adherence to all pertinent regulations, including those established by the NHBRC.

The Chairperson requested clarification on which of the two options was accurate. He asked the directorate to clearly define the coordination protocol to be adhered to for housing projects. Lastly, he enquired whether the audit finding indicated that the protocol had been disregarded or that it simply did not exist.

The Portfolio Head: Human Settlement stated that the housing projects included various stakeholders, with the Department of Spatial Planning overseeing the feasibility studies and designs.

The HoD: Human Settlement stated that the housing development consisted of six phases: Feasibility Studies, Preliminary Designs, Design Report, Documentation, Contract Administration, and project handover, which necessitated cooperation among municipal departments.

Councillor Majeke enquire how did the Integrated Human Settlements Policy work, pointing out that it was adopted in Council in 2019.

The Portfolio Head: human Settlement highlighted that there were delays linked to contract termination which amount to +- R2.5 million loss which was an ongoing litigation.

In response thereto, the GM: Human Settlement indicated that the Human Settlements Integrated Policy effectively supported early township planning but faced challenges with staggered implementation, causing delays, vandalism, and coordination issues. He stated that the municipality was seeking a flexible approach to allow concurrent internal services and housing construction despite NHBRC requirements and ongoing litigation for losses.

Councillor Walton emphasized the importance of proper planning and coordination in housing projects, focusing on contractor scheduling and service installation.

The Portfolio Head: Human Settlement emphasized the need for collaboration among all relevant stakeholders in planning for the Department of Human Settlements. He indicated that he had a recent meeting with Senior Management and Head of Departments about coordinating efforts to address issues of land invasion and housing occupancy.

The HoD: Human Settlement emphasized the distinction between the planning and implementation phases of projects. He mentioned that the planning phase included land issues, identification, design approvals, and involved internal stakeholders. He explained that the implementation followed procurement which complied with CIDB regulations, requiring contractors to be appropriately graded. He further mentioned that a contractor received a timeframe of 21 to 31 days before starting to submitting a construction program to outline key activities. He indicated that non-compliance led to specific warnings before action was. Lastly, he mentioned that the projects should align with the IDP and sector plans for implementation and that unapproved projects could not proceed.

**MPAC PUBLIC ENGAGEMENT: MDANTSANE 16 MARCH 2026**

The Chairperson requested that the meeting to manage time without compromising the quality of their work.

Councillor Mashiya and the Chairperson agree to expedite the discussion, confirming the qualifications of the program manager and consulting engineers related to question five (5) and six (6).

The Portfolio Head: Human Settlement indicated that the Project Manager and consultants were appointed through supply chain and Human Resources processes.

Councillor Mashiya concurred with the remarks made by the Chairperson. She enquired the Portfolio Head: Human Settlements to confirm that the Program Manager and the Consulting Engineers had the qualifications and expertise for the task at hand.

Councillor Walton stated that there was a R2.5 million financial loss over claims from the contractor which contributed to inadequate funds for remedial work.

The GM: Human Settlement stated that on-site the work would be evaluated to determine contractor payments. He mentioned that the Auditor General reviewed revealed some payments were unrelated to contractor on-site on time. He further stated that the Auditor-General indicated that time-related costs should not have been paid to the contractor. In addition, he stated that the issues with payment certificate calculations were acknowledged, lead to the removal of the claim's personnel for inaccuracies. So now we were noting all of these delays that we've had is questioned so they're just able to respond to them, with regards to the same human settlements.

Councillor Majeke enquired about housing beneficiaries 'wait time and further enquired what was the systemic changes to prevent future project delays.

In response thereto, the Portfolio Head: Human Settlement indicated that the contractor's slowed the performance and vacated on site which caused delays particularly in starting the new approachment process.

The HoD: Human Settlement indicated that the contractor abandoned the site, necessitating a search for a replacement. He explained that termination procedures required negotiation and consideration of external factors. He indicated that the project now progressed well despite initial challenges.

Before a project was approved, Councillor Jaxa questioned which member of the Senior Management team was personally responsible for confirming that all regulatory requirements, such as NHBRC enrolment, were fulfilled.

The HoD: Human Settlement indicated that the Senior Project Manager oversee all the daily tasks with the help of the GM: Human Settlement. He indicated that the HoD: Human Settlement ensured that strategic oversight and consulting engineers provide essential support.

## MPAC PUBLIC ENGAGEMENT: MDANTSANE 16 MARCH 2026

Councillor Kalani requested a detailed report to the Committee indicating timelines, cost accounts, and checklist which caused the delays.

The General Manager stated that a previous contractor failed to complete the work, leading to the appointment of a replacement contractor. He indicated that the project was expected to finish by May 2025. He stated that delays and associated costs remained unconfirmed. He states that the project would stay delayed until beneficiaries received the keys, regardless of contractor changes and added that unexpected issues arose during construction.

**[NOTE: At this stage some of the comments were inaudible]**

### 12. DEPARTMENTAL ENGAGEMENTS

A community member from Ward 30 needed assistance for at the cemetery where she lived in

Another community member from Ward 30 stated that it had been over twenty years for the community waiting upon their house.

**[NOTE: At this stage some of the comments were inaudible]**

### 13. CLOSURE

The Chairperson thanked all the attendees to the meeting and to the Committee members who made it easy for his first day.

He then declared the meeting adjourned.

NOTED

**[The meeting adjourned at: 16:30 p.m.]**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**AGENDA**

**MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE  
MEETING**

**17 MARCH 2026**

**10:00AM**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

## **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Notice is hereby given that the **THIRD (3<sup>RD</sup>) PUBLIC HEARING** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026 will be held on

**Monday, 17 MARCH 2026**

at

**10:00 A.M**

at the

**EAST LONDON CITY HALL**

**COUNCILLOR: M. BASPU**

**CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Um

(SUBAGENDAS/2017/MPAC)

265 Oxford Street,  
EAST LONDON  
13 MARCH 2026

**MEMBERS:** (10)

**QUORUM**

Councillors:	M. Basopu	(Chairperson)
	M. Hlekiso	
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G. Walton	
	Vacant	
	Vacant	



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**AGENDA for the THIRD (3<sup>RD</sup>) Public Hearing**

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Apologies.
4. Adoption of Agenda
5. Introductions
6. Purpose of the Public Hearings
7. Engagements with Directorates:
  - 7.1 Executive Mayor
  - 7.2 Speaker of Council
  - 7.3 Chief Whip of Council
  - 7.4 City Manager
  - 7.5 Finance
8. Closing remarks
9. Closure



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MINUTES of the PUBLIC  
HEARINGS meeting of the  
MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE of BUFFALO CITY  
METROPOLITAN MUNICIPALITY**  
held on **TUESDAY, 17 March 2026**  
at **10:00 A.M.** at the **City Hall**  
**KU GOMPO CITY**

**DAY: 3**

PRESENT:

Councillor	M.P. Basopu	(Chairperson)
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G. Walton	
	Vacant	
	Vacant	(7)

ABSENT:

Councillors:	M. Hlekiso	(1)
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OFFICIALS

City Manager	(Mr. M. Yawa)
Chief Operation Officer	(Mr. V. Pillay)
Head: ICT	(Mr. L. Ndzena)
General Manager: Human Resources	(Mr. Z. Shweni)
General Manager: Supply Chain Management	(Mr. D. Gwabeni)
Acting General Manager: Revenue	( Mr. X. Wonono)
Senior Manager: Corporate Support Services	(Mr. S. Harma)
Senior Manager: Expenditure	(Mr. L. Durrheim)
Senior Manager: HRDP	(Ms. N. Lotsha)
Senior Manager: ER	(Mr. E.X. Nombila)
Manager: Finance	(Ms. A. Kretzemann)

**MPAC: PUBLIC ENGAGEMENTS 17 MARCH 2026**

Operations Manager: City Manager's Office (Mr. S. Nkonki)

(OFFICIAL CONTD.)

ICT: Practitioner	(Mr. L. Jogwana)
Program Manager: Municipal Public Accounts Committee	(Ms. N. Nzwana)
Senior Committee Officer: Municipal Public Accounts Committee	(Ms. U. Myoyo)
Committee Secretary: Municipal Public Accounts Committee	(Ms. A. Komani)
Committee Secretary: Municipal Public Accounts Committee	(Ms. G. Gulwa)
Personal Assistant: Municipal Public Accounts Committee	(Ms. B. Bacela)
Intern: Municipal Public Accounts Committee	(Mr. S. Gwana)
Intern: Communications	(Mr. U. Xala)
Intern: Communications	(Ms. E. Mhlaluka)

1. CHAIRPERSON'S REMARKS

The Chairperson welcomed all the attendees to the Municipal Public Accounts Committee (MPAC) Third (3<sup>rd</sup>) Public Engagements held at the City Hall at Ku Gompo City, and allowed the Committee members to introduce themselves, which was duly done.

2. READING OF THE NOTICE

The Chairperson read the notice convening the meeting.

NOTED

3. OPPORTUNITY FOR SILENT PRAYER OR MEDITATION

The Chairperson allowed an opportunity for silent prayer or meditation.

NOTED

4. APOLOGIES

An apology was tendered on behalf of Councillor Jaxa indicating that he was going to join the meeting late.

NOTED

**MPAC: PUBLIC ENGAGEMENTS 17 MARCH 2026****5. ADOPTION OF AGENDA**

Councillor Siboyana seconded by Councillor Kalani moved to adopt the agenda with amendments.

NOTED

**5. PURPOSE OF THE PUBLIC HEARINGS**

The Chairperson highlighted the purpose and importance of the public hearings, the role of the committee and how the public can be part of the sessions. He added the relevant legislation compelling the undertaking of the engagements.

The Chairperson stated that the Committee's first department interaction would be with the Directorate of Corporate Services. Subsequently, the Chairperson welcomed and invited the Portfolio Head: Corporate Services and the officials present, requesting for the Portfolio Head to introduce themselves and their officials, which was duly done.

**6. DEPARTMENTAL ENGAGEMENTS: CORPORATE SERVICES**

Councillor Mashiya commended the Corporate Services Directorate however she expressed disappointment on the discrepancies the Committee had found on table T41 between financial years 2022/2023 and 2023/2024. She then enquired about the correct numbers on the table, to which the Head of Directorate: Corporate Services (HOD:CS), responded that they had picked up the discrepancies and they would send the correct figures to Municipal Public Accounts Committee (MPAC) and Executive Support Services (ESS).

In addition, the HOD: Corporate Services mentioned that the table dealt with the turnover of vacancies. Adding thereto Councillor Mashiya enquired from the HOD:CS if they had conducted a legal risk assessment regarding the continuous use of the 2019 structure and what were the findings.

Responding thereto, the HOD: Corporate Services stated that, according to Human Resource regulations they were not complied and therefore there was no risk assessment.

The Chairperson read the questions on the organisational structure.

In response, the HOD: Corporate Services stated that there was a detailed copy of the plan that was attached that indicated that the project had started in January 2024. He indicated that the job evaluation process was finished. Regarding the specific budget, he indicated that there was a structure that was taken, and the budget was done internally. He mentioned that Chapter 1 regulations were confirmed in a workshop that was held with Management. In addition, the HOD: Human Resources indicated that 80% of Microstructure was done and the

**MPAC: PUBLIC ENGAGEMENTS 17 MARCH 2026**

remaining 20% was to be concluded. He stated that the processes could have been done sooner if the processes were done inhouse.

Councillor Kalani read questions on page no. 557 of the annual report and page no. 51 of Management report.

In response thereto, the HOD: Human Resources stated that Human Resource policies were done in 2022 and submitted to Council and chapter 2 came in July 2023. He indicated that Corporate Services was required to review annually.

Councillor Walton enquired if the Municipality had a staff retention policy, to which the HOD:HR responded that there was no specific retention policy but that did not mean there was no retention strategy. He mentioned that streamlining was part of terms of reference. He stated that the Municipality wanted a structure that was fit for purpose to provide a service for the community. He indicated that there were training plans, and they offered bursaries to staff. He committed that by December 2026, there would be a retention policy.

The General Manager: Human Resources highlighted that when they advertised task grade 3-15 posts, they were advertised internally for ten (10) days, and after the second (2<sup>nd</sup>) round, the advertisement was external.

Councillor Majeke on retention, enquired how the current system was used, clear training for staff and what were the timelines for implementation.

The GM:HR highlighted that the department was developing a new process, however Buffalo City Metropolitan Municipality (BCMM) would do research with other Metros. He mentioned that promotions did not exist in the private sector.

The HOD: Human Resources stated that training was linked with retention. In addition, he mentioned that ABET and staff members that pursued junior degrees were given bursaries.

Councillor Mashiya stated that the Committee was happy to go through tables, the tables were clear.

The Committee raised a concern to the City Manager on the overtime policy, transporting officials to colleagues' funerals and that Human Resources could not ask MPAC to ask fleet management on their behalf.

The GM: Human Resources responded that on the overtime policy. Human Resources took the punch because the department allowed the policy even after Council delayed the process, therefore overtime was blown out of proportion and there was no control of excessive overtime.

Regarding the overtime of VIP protectors, it was said there was no point in having two (2) policies.

Councillor Majeke enquired if user departments implemented the overtime policy. She then made a statement of how overtime aligned with the recovery plan. Furthermore, Councillor Majeke referred to page no.568 of the annual report.

## MPAC: PUBLIC ENGAGEMENTS 17 MARCH 2026

The HOD: Human Resources responded that if there was no record of leave, the no work no pay policy applied. He indicated that there were solutions to reduce absenteeism.

Councillor Walton made a follow up question on page no, 572 of the annual report about the wellness of the employees.

The HOD: Human Resources promised to attend to the issue of wellness, attendance, and benefits. He made mention that if sick leave was exhausted, a part of the salary was taken. He further stated that punitive measures reflected on the abuse of sick leave fraud and there was a commitment to reduce subsistence and travel.

In response thereto, the City Manager stated that sick leave was a universal comment that touched all departments of the Municipality, and the Auditor General had picked a gap. He indicated that a comprehensive study of closing the policy gaps in the City should be done. The City Manager suggested that missing policies should be identified, and gaps should be filled.

The Chairperson made an observation that there were gaps on the questions and stated that the HR team could respond in writing if they could not respond then.

Councillor Walton enquired if there was vandalism and a lot of it and what was its impact on the system. He also enquired if there were budget limitations. He further referred to page no. 527 of the annual report and requested the listed projects for young people of the city. He further enquired if there was an automated system and if it was functional.

The HOD: HR promised to engage with the secretariat to respond to questions and he indicated it would be unfair to respond spontaneously.

### 7. PUBLIC QUESTIONS AND COMMENTS

A community member from Mdantsane sought clarity on the permanent employment of Head of Directorates (HOD's) and he mentioned that in all other institutions and other Metros, HOD's were employed in a five (5) year contract. He therefore enquired why BCMM employed HOD's permanently.

A community member from Ward 11 enquired about an intern that was called for an interview but there was no follow up after. He also requested wi-fi for the youth.

Responding thereto about the permanent and contract employment, the GM: HR explained that it was introduced by Cogta in 2012-2013 and BCMM took the decision to employ HOD's permanently, while the City Manager was on a five (5) year contract. He further explained that positions were advertised, and the selection process was done in the offices in Belgravia. In response to the wifi issue the HOD: HR explained there was wifi installed for the public in municipal buildings, however it was vandalised and damaged.

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The Acting General Manager: Human Resource mentioned that there was a manual Performance Management System that was used currently, and it was an effective system.

The Chairperson stated that regarding gender equity, it was slow moving. He mentioned that the Auditor-General did not look at finances only and the Municipality had policies. Additionally, the Chairperson mentioned that employee records were kept by the Municipality.

Councillor Majeke observed that the questions from the Facebook audience were not taken and that there was no sign language interpreter.

The Chairperson apologised for what Councillor Majeke had raised, indicating that he took note of what was mentioned. He then thanked the Department of Corporate Services for their interaction and mentioned that the Department of Finance would follow after lunch time.

**[Note: At this stage the meeting adjourned for an In Committee meeting, the time being 12:18p.m and reconvened at 12:30p.m]**

NOTED

**8. DEPARTMENTAL ENGAGEMENTS: FINANCE**

The Chairperson welcomed the Directorate of Finance and tendered an apology on behalf of the Portfolio Head: Finance Services and of the City Manager who both had another commitment at 14:00 p.m. He then requested the Portfolio Head: Finance to introduce his team, which was duly done.

Councillor Walton asked the team to justify the R7 million that was spent on consultants. He also requested comment to be provided on prior year issues including work In Progress (WIP) projects.

The Acting Chief Financial Officer (ACFO) responded that WIP affected infrastructural services and the deadline would be on the 31 March 2026.

In addition, Councillor Walton enquired about the work that occurred in other directorates and indicated that integration needed to be done to which the City Manager responded that the issue of integration needed stronger actioning.

Councillor Majeke commented on the inaccuracy of the report and mentioned water losses and electric losses.

Councillor Walton sought clarity on the necessity of prior year adjustments and why they were necessary, saying that the Auditor General South Africa (AG-SA) expressed concerns. He further enquired if there was a way to curtail the prior adjustments.

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The ACFO responded that by end of March 2026, the directorate would submit to Internal audit.

Councillor Mashiya highlighted material irregularities as loss of income from Municipal properties. She indicated that Management failed to act on material irregularities, and she further enquired what was the cause of action.

Responding thereto, the ACFO stated that software was to be completed by 30 April 2026. He mentioned that ninety (90) leases were completed and that recommended a submission for review.

Councillor Kalani referred to page no.1107 of the annual report on Irregular Expenditure and he mentioned that in the 2024/2025 financial year the closing balance was R11.6 billion. He enquired what consequence management was taken to prevent this material finding from recurring again.

The ACFO responded that the Institution had terminated the contracts that emanated from time. He stated that the E-Procurement system was in place to track contracts, and it was enhanced to track bid committees. He mentioned that contracts were referred to the Disciplinary Board by the Accounting Officer. He also indicated that the Institution worked with the AG-SA and Corporate Services.

Councillor Majeke sought clarity on why there were no cases and why was there no deviations.

In response thereto, the ACFO mentioned it was not that there was no Irregular Expenditure. He then appealed to MPAC for time to submit a report with names of officials involved.

Councillor Majeke highlighted that the Accounting officer needed to respond as National Treasury threatened to withhold the conditional grant.

Councillor Mashiya requested that Management indicate measures in place for the automation system, how long was it in place and when was it started.

In response, the General Manager: Supply Chain Management (SCM) stated that the automation system was introduced two (2) years previously and it was functional. He stated that the systems were not a click of the button, but a process was underway.

Councillor Majeke sought clarity regarding the collation as the Municipality. She mentioned that deviations occurred in the Municipality. She highlighted that bid Committees did not sit when required to sit. In addition, Councillor Majeke stated that when a contract was not extended in time, a deviation occurred.

In response, the ACFO indicated that regarding the issue of poor planning, the City Manager should put processes in place to advise directorates that they were responsible for their budgets and HOD's needed to take responsibility. Additionally, he indicated that officials who sat on bid committees needed to do quality assured work.

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The Chief Operations Officer (COO) highlighted that consequence management would be implemented and someone had to pay the price for non-performance.

The City Manager responded that procurement processes were legally complied, poor planning was not disputed, and that Management agreed. He stated that the difference between Municipality and Auditor General was not whether deviations were deviations that the Accounting Officer allowed in terms of the law.

Councillor Siboyana referred to page no, 643 of the annual report on financial planning and performance and sought clarity on the processes.

In response thereto, the ACFO mentioned that Irregular Expenditure should be monitored on a monthly basis. He stated that the directorate had cancelled a contract of R4.5 million for Human Settlements for non-compliance.

Councillor Majeke sought clarity on why R6.5 million was settled and what were the legal repercussions.

The Acting General Manager Expenditure stated that previous expenditure was reported and investigated.

Councillor Siboyana enquired what were the measures in place to curb Unauthorised Fruitless and Wasteful Expenditure to which the ACFO responded that they needed to engage with the affected directorates.

Councillor Walton mentioned that the City Manager was responsible to ensure what they were required to do. Regarding fruitless and wasteful expenditure, Councillor Walton stated that it should be brought to MPAC in April.

The COO stated that there were 500 000/ 600 000 parliamentary findings.

The Chairperson referred to page no.513 of the annual report and enquired about the billing system.

In response, the GM: Expenditure mentioned that the City had developed a portal for citizens to download their statements. In addition, he explained that not all meters were smart meters, and they had no financial impact on billing.

The Chairperson enquired if the billing system was accurate, and in response the ACFO highlighted that the directorate had identified the problem that the billing queries referred to water. Adding thereto, he stated that the City had introduced imperative tariffs, and the directorate had met with community members from King Williams Town who had submitted their queries.

Councillor Walton suggested that regarding customer care, there should be improvement, He stated that customers did not know what to query. In addition, Councillor Walton suggested that huge bills should be removed from the system. He sought clarity if the accumulative tariffs were still in the tariff book, and he therefore suggested that the tariffs should also be removed from the tariff book.

Councillor Majeke suggested that ICT should develop an application to log queries.

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The ACFO noted the comments.

Councillor Walton enquired why were there more terminations than pre-termination letters, to which the ACFO responded that the directorate had won the battle of blocking electricity.

Councillor Majeke mentioned debt collection and enquired if the disconnections served as deterrent to non-payers. She further enquired what was the percentage of non-payment in residential and business areas.

The AGM: Revenue stated that blocking of electricity to non-payers recorded 970 and the total target was 70% of debtors contract.

Regarding non-payment, Councillor Walton enquired if all the consumers that did not pay could not or they did not want to pay. He suggested that the Municipality should go after the consumers that should be paying to collect revenue.

The ACFO highlighted that government officials owed over R200 million in rates and service and that a legal process would be followed.

About the indigent subsidy, Councillor Mashiya enquired how many households were registered currently, have gaps been identified and what steps were taken in consumers that tampered with electricity meters.

Responding thereto, the AGM: Revenue stated that there were 329 registered indigents, steps taken with meter tampering, he indicated that the directorate monitored every Thursday.

Councillor Mashiya referred to page no. 514 of the annual report which was written by the Finance directorate, which stated that vandalism affected debt and revenue collection. What was the financial impact, and the directorate should respond in writing by Friday 20 March 2026. Additionally, she enquired how sure was the Finance directorate that the target for revenue collection would be achievable.

The AGM: Revenue Management apologised on behalf of the department and indicated that Thursdays the department engaged with consumers in Gonubie.

Councillor Walton highlighted that there was no session in Gonubie that week. Adding thereto, he enquired how did economic pressure impact on customers.

**[At this stage the meeting adjourned for lunch the time being 14:03P.M and reconvened at 14:50 P.M]**

Councillor Kalani referred to Chapter 5 which was the statement of financials.

The ACFO indicated that figures in Chapter 3 and 5 were the same figures and he promised to share the reconciliation on Friday 20 March 2026.03.25

Councillor Siboyana referred to page no.18 on indigent subsidy and she enquired if there was a system that linked BCMM and the department of Home Affairs to detect

**MPAC: PUBLIC ENGAGEMENTS 17 MARCH 2026**

deceased beneficiaries. She further enquired who was accountable for deceased accounts.

Responding thereto, the GM: Revenue Management stated that applications were filled manually and loaded into the system.

Councillor Mashiya enquired what was done to recover the funds if the funds were recouped. She indicated that a written report was required by Friday 20 March 2026.

Councillor Jaxa enquired of what happens when the owner of the property died, to which the GM: Revenue responded that the dependents of the deceased indigent were given a period of twelve (12) months to receive the indigent subsidy.

The GM: Revenue Management stated that the City had a panel of attorneys to transfer removable properties. He indicated that the High court offered a letter of authority of property was R250 000.

Councillor Jaxa mentioned that after an application for indigent was signed and the Councillor signed, he then enquired if the department did a follow up and how often.

In response thereto, the AGM: Revenue Manager stated that once an application signed, the application was subjected to verification and the person was checked if the consumer stayed in the property.

Councillor Walton mentioned that tenants could not qualify for indigent subsidy if the account was in the name of the deceased.

The GM: Revenue Management indicated that to qualify for indigent, one should be the owner of the property. He indicated that the owner could not be held accountable for non-payment of tenants. Additionally, the GM: Revenue Management stated that the deceased estate could be extended in the event of backlog because deceased estates took longer.

Councillor Walton referred to pages no.17-19 and enquired if indigent assisted cash flow.

The COO stated that 50% of invoices came through in the last three (3) months. He indicated that they required the department to date stamp and currently the invoices were integrated in E-procurement.

Councillor Walton expressed deep concern about the plan to get invoices into the system. He enquired what were the cost containment measures and the financial recovery plan to make sure the integration was a success.

An official from Grant Administration: EPMO stated that the Financial Recovery Plan improved the cash flow and revenue situation. She indicated that 80% of revenue was from property rates. In addition, she stated that revenue was caused by debtor management. She also mentioned that it was difficult to track expenditure throughout the year and the department noticed expenditure in the 4<sup>th</sup> quarter, and she reminded that directorates were responsible for their budget.

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Councillor Walton enquired what the problem regarded overtime and it was 5% over. He then enquired what was the mechanism to curtail costs.

The COO stated that the budget was 77% but the City got 70%. He indicated that everyday there was a burst water pipe or sewer therefore overtime was required by the Infrastructure directorate. Adding thereto, he indicated that Water and Sanitation was a problem. The COO indicated that there was policy on Fleet management therefore the Solid Waste directorate had a challenge of buying new trucks and they therefore gave the risk to service provider because land fill sites were far from the City.

Councillor Majeke sought clarity about the whereabouts of internal audit, to which the COO stated that there was a General Manager appointed in position who will cover governance processes.

### 9. PUBLIC QUESTIONS AND COMMENTS

The Chairperson handed over to Councillor Jaxa to engage the community members. A community member who was a ward activist commended the department for the indigent subsidy. Regarding property evaluation, he requested that the R250 000 be decreased. He highlighted the problem of water billing and indicated that the meter readers that were sent by the Municipality were incompetent, because sometimes they came intoxicated.

Another community member enquired about the financial recovery plan.

Another community expressed appreciation about the information on indigent subsidy.

A community member from Ward 30 expressed concern about the availability of water. He also raised a concern about the dilapidating infrastructure of the Municipality. Another community member from Ward 37 enquired how Irregular Expenditure could be curbed.

Councillor Jaxa highlighted that hiring of water tankers was an expenditure. Regarding Financial Recovery Plan he mentioned that there were projects. He also enquired who oversaw the functioning of meter readers.

The Chairperson added a Facebook comment that said, 'In a case whereby the municipality wrongly built the client, how long does it take the municipality to resolve the issue.

NOTED

### 10. CLOSURE

The Chairperson thanked all the participant in the meeting

NOTED

**MPAC: PUBLIC ENGAGEMENTS 17 MARCH 2026**

**[The meeting adjourned at: 18:34 p.m.]**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**AGENDA**

**MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE  
MEETING**

**19 MARCH 2026**

**10:00AM**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Notice is hereby given that the **FOURTH (4<sup>TH</sup>) PUBLIC HEARING** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026 will be held on

**Thursday, 19 MARCH 2026**

at

**10:00 A.M**

at the

**EAST LONDON CITY HALL**

**COUNCILLOR: M. BASOPU**

**CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Um  
(SUBAGENDAS/2026/MPAC)

265 Oxford Street,  
EAST LONDON  
13 MARCH 2026

**MEMBERS:** (10)

**QUORUM:** (6)

Councillors:	M. Basopu	(Chairperson)
	M. Hlekiso	
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G. Walton	
	Vacant	
	Vacant	



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

## **A G E N D A for the FOURTH (4<sup>TH</sup>) Public Hearing**

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Apologies.
4. Adoption of Agenda.
5. Introductions
6. Purpose of the meeting
7. Engagements with Directorates:
  - 7.1 External Stakeholders submissions (civic organisations, trade unions, political parties, organized businesses, and organs of state
  - 7.2 Executive Support Services
  - 7.3 Infrastructure Services
8. Closing Remarks
9. CLOSURE



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MINUTES** of the **PUBLIC HEARING** meeting of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of **BUFFALO CITY METROPOLITAN MUNICIPALITY** held on **THURSDAY, 19 March 2026** at **10:00 A.M.** at the **City Hall KU GOMPO CITY**

**DAY: 4**

PRESENT:

Councillor	M.P. Basopu	(Chairperson)	
	P. Jaxa		
	B. Kalani		
	A. Majeke		
	M. Mashiya		
	V. Siboyana		
	G. Walton		(7)
	Vacant		
	Vacant		

ABSENT:

Councillors:	M. Hlekiso	(1)
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OFFICIALS

City Manager	(Mr. M. Yawa)
Chief Operation Officer	(Mr. V. Pillay)
Head of Directorate: Executive Support Services	(M. N. Sidukwana)
Head of Directorate: Infrastructure Services	(Ms. N. Mqoqi-Mondi)
Head of Directorate: Spatial Planning & Development	(Mr. S. Booi)
Head: Governance & Internal Auditing	(C. Dali)
Head: Information Knowledge Management	(G. Msimdwana)
Chief Risk Officer	(Ms. S. Mhambi)
General Manager: Communication and Development Co-Operation	(Ms. O Mahlangu)

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(OFFICIAL CONTD.)

General Manager: Speaker and Chief Whip's Office	(Mr. Z. Sotshana)
Manager: Chief Whip's Office	(Mr. K. Witbooi)
Manager: RP	(Mr. C Gowa)
Assistant Manager: Executive Support Services	(Ms. N. Dumezweni)
Program Manager: Water Services Authority	(Mr. S. Mamane)
Acting Manager: Mechanical	(B. Bodlo)
Senior Manager: Development Ens Tech	(Mr. O. Sityebi)
Senior Manager: PMI	(Mr. S. Gqobo)
Senior Manager: Roads	(Mr. S. Gwentshe)
ICT: Practitioner	(Mr. L. Jogwana)
Program Manager: Municipal Public Accounts Committee	(Ms. N. Nzwana)
Senior Committee Officer: Municipal Public Accounts Committee	(Ms. U. Myoyo)
Committee Secretary: Municipal Public Accounts Committee	(Ms. A. Komani)
Committee Secretary: Municipal Public Accounts Committee	(Ms. G. Gulwa)
Admin Assistant: Municipal Public Accounts Committee	(Ms. L. Molose)
Receptionist: Municipal Public Accounts Committee	(Ms. S. Nobongoza)
Personal Assistant: Municipal Public Accounts Committee	(Ms. B. Bacela)
Messenger: Municipal Public Accounts Committee	(Mr. S. Fama)
Office Attendant: Municipal Public Accounts Committee	(Ms. Y. Lamati)
Office Attendant: Municipal Public Accounts Committee	(Ms. Y. Kwayimani)

IN ATTENDANCE

MMC: Finance	Mr. Y. Tyali
MMC: Infrastructure Services	Mr. M. Mfawe
MMC: Corporate Services	Ms. B. Sauli
BCMDA: Chief Executive Officer	Mr. A Gqoboka
BCMDA: Chief Financial Officer	Mr. S. Mavundla
BCMDA: Communication	Ms. S. Bevu
CoGTA: Director	Ms. V. Mbelani
RMO: Chairperson	Mr. S. Dzengwa
RMO: Member	Mr. K. Mashikoane
RMO: Member	Mr. C. Sam
RMO: Member	Mr. M. Molose

**MPAC: PUBLIC ENGAGEMENTS 19 MARCH 2026**1. READING OF THE NOTICE

The Chairperson read the notice convening the meeting.

NOTED

2. OPPORTUNITY FOR SILENT PRAYER OR MEDITATION

The Chairperson allowed an opportunity for silent prayer or meditation.

NOTED

3. APOLOGIES

Councillor Siboyana tendered an apology on behalf of Councillor Kalani, who was on his way to the meeting.

NOTED

4. ADOPTION OF AGENDA

Councillor Kalani seconded by Councillor Mashiya moved to adopt the agenda with amendments.

NOTED

5. PURPOSE OF THE PUBLIC HEARINGS

The Chairperson explained how the Public Participations were conducted and recited an excerpt from the legislative framework.

**\*\*\* [a copy of legislation framework is attached hereto for easy reference.]**

The Chairperson stated that the Committee's first department interaction would be with the Buffalo City Metropolitan Development Agency.

7. DEPARTMENTAL ENGAGEMENT: BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY

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Chairperson invited the City Manager and the Chief Executive Officer (CEO) to introduce themselves and their officials, which was duly done.

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Councillor Jaxa directed the meeting's attention to page No. 6 of the Management report concerning 'Net Cash Flow' and duly read. He enquired who specifically in the Finance Department was responsible for preparing that section of financial statements.

In response thereto, the CEO: BCMDA stated that during the year under review, the Agency functioned with a flat organisational structure to prevent an oversized team and was managed by an acting CFO. He noted that the financial statements were generated internally, without the assistance of external consultants, and were subject to an internal audit before being presented to the board, with the goal of minimizing inaccuracies. He pointed out that there was an error in the calculation of 'Net Cash Flow' from operating activities due to a longstanding grant issue. He reported that the auditor highlighted the error, which cast doubt on the finance team's abilities. Lastly, he mentioned that the situation had been rectified by hiring a qualified Chief Financial Officer.

Councillor Jaxa explained that his question was based on the Auditor-General's findings, which identified who was specifically responsible. The CEO: BCMDA responded that no one was specifically tasked with that responsibility and that they worked as a team. He questioned whether the CEO's response addressed the fact that no one was specifically responsible by the time the AFS were prepared.

The CEO: BCMDA stated he would depend on previous documents concerning the responsibilities of the accounting officer. He stressed the significance of an accountability system that complied with governance standards, which was followed throughout the process. He noted that the Auditor-General favourably pointed out a past error in the current year, and actions were implemented to rectify it in order to prevent similar mistakes in the future.

Councillor Jaxa acknowledged the error as historical and enquired whether it should be viewed as an error, or a misrepresentation associated with corruption in established practices.

The CFO: BCMDA mentioned that a misunderstanding occurred regarding the grab standards, which resulted in a classification error relating to cash flow attribution. He specified that the cash flow should have been assigned to the National Treasury; however, it was mistakenly assigned to BCMDA due to issues with grants. He noted that once the Auditor General recognised the problem, appropriate adjustments were made, and more rigorous controls were put in place within the Office of the CFO to enhance the prevention and identification of errors. He asserted that the commitment involved preparing Interim Financial Statements (IFS), which were currently undergoing an internal audit review to rectify misstatements and ensure that correct procedures were followed.

Councillor Jaxa inquired of the CEO: BCMDA regarding the agency's mandate, requesting for clarification to be provided to both the Committee and the audience.

In response thereto, the CEO: BCMDA detailed the agency's responsibilities, stating that its primary focus was on stimulating the city's economy through a sector-based approach. He highlighted that tourism and infrastructure were pivotal components

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driving economic growth, emphasising that robust infrastructure was fundamental to any developmental efforts. In addition, he mentioned that the agency sought to advance economic development and attract investment by ensuring that essential infrastructure was adequately established. The CEO: BCMDA acknowledged the agency's support for the manufacturing sector, particularly the automotive industry, which he recognised as crucial for job creation.

Furthermore, the CEO: BCMDA also noted the introduction of a new strategy for 2024 that incorporated the ocean economy, considering the city's extensive 68 kilometres of coastline. He further mentioned that the agency was collaborating with local universities to create resources related to the ocean economy and stimulate job creation in that area. He pointed out that renewable energy represented another critical focus, featuring projects involving hydrogen energy in partnership with investors from Canada and the United Kingdom to enhance the city's economic prospects. He underscored the significance of agro-processing and agriculture, given the city's rural aspects. He stated that the agency's goal was to support agro-processing and promoted the export of processed goods rather than raw materials. He concluded by mentioning that they also engaged with economic clusters to ensure that the city's interests were adequately represented.

Councillor Majeke posed a question related to findings, emphasising that robust controls ought to have detected discrepancies. She enquired about the particular internal controls anticipated, such as daily reconciliations, supervisory assessments, and checklist approvals, to confirm the accuracy of cash flow statements. She further questioned whether those controls were implemented, overlooked, insufficient, or non-existent. Furthermore, she enquired if internal audits assessed the precision of cash flow statements during quarterly evaluations and why that risk domain was omitted from the Audit Plan.

The CFO: BCMDA stated that there were control measures established for financial reporting and emphasised that there were specific controls documented for daily, monthly, and annual activities which were prepared by the previous CFO: BCMDA and reviewed monthly cash flow statements. Furthermore, he indicated that quarterly reports were presented to the board, with oversight from the Audit Committee, as part of the Audit Action plan. He pointed out that those controls were deemed well-designed and effective, provided that the individuals involved understood and adhered to the established processes. Moreover, he mentioned that a critical issue was identified during the assessment, related to a misinterpretation of an accounting standard, which posed a significant risk to the Financial Statement process.

Moreover, the CFO: BCMDA stated that the previous CFO was made aware of that issue and acknowledged its inherent risks. He mentioned that an external technician verified that the Agency's conclusions were based on the adopted methodology. However, he noted that a paragraph added by the Auditor-General altered the overall interpretation of the issue. Additionally, he pointed out that the assessment revealed that the current controls did not adequately address the misinterpretation errors, as they were not designed to handle such occurrences. He further stated that new controls had now been established, which include a review focused on the compliance of the Financial Statements with Grab. He indicated that the Internal Audit had not previously reviewed cash flows, as that area was not regarded as a

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risk; however, that perspective had since changed. He also reported that the matter was presented to the Board and the CEO of BCMDA, and all involved parties accepted accountability for the oversight. He mentioned that the Auditor-General highlighted that 41% of municipalities were encountering similar issues, which his office intended to address.

Councillor Mashiya requested the CEO to provide the Committee and the public with an explanation regarding how the error impacted the Agency's financial situation. She stated that should include clarifying whether the cash flow was overstated or understated and if the error led to inaccurate management decisions concerning budget expenditures for the year under review.

In response thereto, the CFO: BCMDA noted that the error did not influence the overall net cash flows but rather involved incorrect labelling of cash sources and expenditures. He pointed out that the error mistakenly indicated that funds originated from BCMDA instead of the National Treasury, which affected how grants were categorised. Furthermore, he clarified that the significant misstatement was found in the financial statements rather than in the monthly reports utilised for decision-making, thus no erroneous decisions were made. He also mentioned that the misstatement was rectified in the Final Adjusted Adjustments, which ensured that the Financial Statements accurately represented the situation from the previous period. Lastly, he mentioned that it was believed to be no other errors or repercussions arising from that issue, and that corrective measures had been implemented.

Councillor Walton stated that most of his question had been responded to. His initial question focused on whether the Municipal Finance Management MFMA necessitated precise Financial Statements, which highlighted a legal violation and raised issues about how consequences would be managed. He noted that the Agency had already taken steps regarding disciplinary actions, amendments to the Financial Statements, and training programs. However, he expressed a desire to enquire about the status of the Auditor-General's Audit Report, as it was omitted from the Annual Report. He emphasised that the report was essential for finalising the Annual Report, which the Committee could not proceed without it. Furthermore, he sought clarity on whether the Agency was primarily reliant on grants and the should provide the reasons for that dependency. Furthermore, he noted that the Annual Report referenced specific plots of land, including properties with ocean views, which were transferred to BCMDA for development. He indicated that those agreements were anticipated to be very profitable and could greatly enhance the Agency's financial condition. He requested further clarification on those matters.

The CEO: BCMDA announced that the agency encountered significant irregularities, prompting them to start a dispute resolution process in accordance with the updated Public Audit Act. He noted that the agency was unhappy with the audit results and highlighted the Accounting Officer's initiatives to enhance internal controls and recover misappropriated funds from various projects, including matters related to the Water World Fun Park. He mentioned that actions were taken against those accountable. Additionally, he reported that the dispute was elevated to tier two (2), where further discussions led to acknowledgment of the agency's remedial measures, including referrals to law enforcement authorities.

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Furthermore, the CEO: BCMDA stated that the Agency had made progress in addressing material irregularities and was eager to avoid receiving a certificate of debt due to outstanding issues. He mentioned the receipt of a draft Audit Report that contained minor inaccuracies, which the Agency was currently correcting in conjunction with the Auditor-General. He specified that the objective was to finalise the report by 31 March 2026, confirming that most recommendations had already been put into effect. He added that the agency had established a thorough Project Management Framework, which was pending peer review, to effectively oversee Infrastructure Projects. He indicated their readiness to approve the draft report once the identified mistakes were corrected.

The Chairperson questioned the CEO: BCMDA regarding his objections to the findings of the Auditor-General. He noted that the audit was a continuous process involving regular discussions. He requested further clarity on the grounds for the CEO's disagreement and the rationale behind it.

In response thereto, the CEO: BCMDA noted that there was a disagreement concerning the Management letter and the draft Audit Report due to factual errors. He indicated that corrections had been made; however, a significant issue persisted regarding the Material Irregularity (MI) related to recommendations that had previously been addressed. He asserted that it was deemed inappropriate to consent to recommendations for matters that had already been resolved, viewing it as irresponsible. He further stated that the disagreement led to the commencement of a dispute on 30 November 2025. He conveyed that they exercised their right to dispute and informed all pertinent oversight bodies, including the BCMDA Board, the City Manager, and the Executive Mayor, to ensure that everyone was informed of the situation.

The CEO: BCMDA mentioned that there were questions he had not yet addressed and enquired with the Chairperson whether he should respond to them now or wait for a subsequent question.

The Chairperson responded that the CEO: BCMDA should indeed provide responses to those questions, as Councillor Walton had already pointed out that some questions were not responded to.

In response thereto, the CEO: BCMDA stated that the agency had created a financial sustainability plan to assist its role as an executing body for significant projects in the city and for various government departments. He expressed that the agency was cautious due to legal constraints imposed by the Municipal Finance Management Act (MFMA), which restricted its actions to those permissible for the municipality. Furthermore, he emphasised that the agency needed to be innovative in addressing financial difficulties while avoiding unnecessary risks, such as entering into equity investments. He mentioned that they intended to involve the private sector in land development by instituting fees and levies. Currently, he indicated that one project was prepared to commence, with planning taking place during the current financial year. However, he noted that funding for development generally progressed slowly and was seen as high risk, particularly in relation to Greenfield sites that demand substantial investment. Lastly, he highlighted that efforts to attract investors were ongoing, although advancements had been gradual.

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Councillor Mashiya stated that the questions were related to performance and operational initiatives. She apologised for not providing those questions in written form. She noted that the CEO: BCMDA's annual report addressed the forecast and forthcoming actions for the upcoming financial year, highlighting six key projects: Sleeper Side, Sea View, Terrace, Marina Glen, Victoria Grounds, East London Waterfront, and East London Racetrack. She enquired whether the East London Waterfront encompasses the Water World Fun Park, expressing her concerns regarding its investment and future viability. She mentioned that they had requested information on the plans from BCMDA and BCMM for the Water World Fun Park to ensure it does not become neglected. Lastly, she enquired about the status of progress on Sea View Terrace.

The CEO: BCMDA concurred with Councillor Mashiya's remarks. He noted that there were ongoing projects, particularly involving the Water World Fun Park and the Waterfront area. He mentioned that a request was submitted to the city to ensure that the public section of the Water World Fun Park was made operational, allowing individuals to swim and enjoy the facilities. He pointed out that efforts were being undertaken to enhance the Waterfront by collaborating with landowners such as Transnet, with the aim of making it more appealing for the public. He further noted that the intention was to create a more attractive Waterfront area ahead of the holiday season. In addition, he announced that a meeting was planned for 26th or 27th March to discuss with investors their participation in upcoming projects. He clarified that the sea of utilities project was addressed, affirming that it had not been overlooked and that additional work was forthcoming.

Councillor Walton noted that the Annual Report did not provide substantial information concerning the Victoria Grounds project. He expressed a need for more clarity regarding the project's current status and future intentions.

In response thereto, the CEO: BCMDA elaborated that the public participation process had been revisited as mandated by the Council, with its conclusion scheduled for February 2026. He noted that the investor continued to express interest and was prepared to advance with the project's development. He emphasised that the process should be finalised and presented to the Council for approval, thereby enabling the investor to commence development on the site.

Councillor Majeke expressed that preparations were underway for the 2026 elections and requested clarification on how those plans aligned with service delivery and performance targets. She emphasised strategies for the elections, which encompass enhancing municipal initiatives, involving stakeholders, and organizing for the 2027 Cricket World Cup. She also enquired about conflicting which resulted to Key Performance Indicators (KPIs) related to vibrant local spaces, pointing out a significant difference between ratings of 0% and 40%. Additionally, she questioned the role of the current CEO: BCMDA and whether the present CFO commenced during the year under review, as well as concerns about document accuracy, particularly regarding the practice of copying and pasting from reports. Moreover, she sought details on missing partnerships with sector departments, investment communities, and financial institutions, specifically referencing previous agreements which were not included in the Annual Report report. She recommended consistent font usage in reports and cautioned against the use of

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stock images and proposing that the agency utilise its own historical photographs for public engagements and events.

The Chairperson stated that if the Agency could not address the Victoria Grounds issues, because those of the questions that were not shared with them. He indicated that the CEO: BCMDA could provide a written response to the Committee within 24 hours, explaining the situation concerning the Victoria Grounds.

In response thereto, the CEO: BCMDA noted that one of his key responsibilities was to oversee investor sentiment and was aware of the current challenges they were encountering. He expressed that he was actively involved with different groups in the city and emphasised that his priority was to address investor sentiment while valuing the partnership with the City Manager. He also indicated that he had engaged a photographer to enhance their public image. Furthermore, he mentioned that he would collaborate with the BCMM to ensure uniformity in their corporate image and communications, thereby maintaining clarity and respect for the Committee.

**8. PUBLIC QUESTIONS/COMMENTS**

Councillor Jaxa described the procedure that the public should follow and requested that the public adhere to his guidance.

A community member from ward 39 requested that the Agency clarify its progress on public participation concerning the Victoria grounds. He enquired about the specifics of the agreements made and the promises given. He noted that there were varying perspectives on the historical and political matters associated with that location, which had yielded notable talent. He expressed concern that relocating the grounds could undermine their significance and sought clarification regarding the agreements established and the alternatives being presented. Furthermore, he highlighted that the grounds include facilities for cricket, netball, and soccer, in addition to a running track. He requested a comprehensive outline of the alternatives in the agreement to enhance everyone's understanding of the situation concerning the Victoria grounds.

In response thereto, the CEO: BCMDA indicated that a community member had expressed concerns regarding the public participation process and the significance of history, especially in the realm of sports. He highlighted the importance of evaluating whether past solutions were still applicable today, while also taking into account the concept of progressive spatial development. He acknowledged the difficulties associated with preserving history, noting that it could also lead to economic advantages through a cultural economy. He mentioned that Victoria Grounds had not yet been designated as a heritage site, as it was necessary to ascertain its historical relevance. Furthermore, he noted that discussions were ongoing regarding alternatives for relocating the sports grounds, ensuring that various necessary amenities were included and that an investor was dedicated to that initiative. He also stated that options had been shared with the community, involving locations within a 10-kilometer radius, which would remain accessible due to improved mobility. He mentioned that to honour history amid those developments, he suggested incorporating elements such as a small museum

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within new projects, akin to how the history of the Freedom Charter was showcased in a shopping mall. He asserted that those concepts sought to strike a balance between the preservation of heritage and the demands of modern living.

The Chairperson stated that the Agency was a component of the BCMM and did not operate independently. He pointed out that there was potential for development in the city concerning various projects. Additionally, he highlighted that two small harbour projects had been launched in the Eastern Cape as part of the ocean economy: one in Gonubie and the other in Port St Johns which was already underway. He encouraged the Agency to draw in investors and stressed the importance of enhanced monitoring and consequence management. He expressed gratitude to the BCMDA for their collaboration and noted that the Executive and Support Services would proceed thereafter.

### NOTED

#### 9. DEPARTMENTAL ENGAGEMENT: EXECUTIVE AND SUPPORT SERVICES (ESS)

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The Chairperson requested the Head of Department: Executive and Support Services (ESS) to introduce herself and her team, which was duly done.

Councillor Siboyana posed a question regarding the Internal Audit report under the section 'Follow up on high-level compliance review of 2024 2025' found in the 'Annual Report.' She requested a comprehensive action plan, including precise corrective actions from Management to resolve the concerns identified in the Audit Report, while also ensuring that the Annual Report was completed on schedule by 26 March 2026.

The Head of Department: ESS noted that the discussion focused on the preparation of the Annual Report and the associated challenges. She mentioned that the main issues included missed deadlines and inadequate information provided by the departments. To tackle those concerns, the City Manager mandated that each Head of Department (HoD) sign a certificate of assurance. She clarified that the document confirmed that the HoD's verification of the accuracy of the data submitted for both the Annual Report and performance measures. She also mentioned that while the annual report brought together quarterly performance data, the Auditor-General identified issues with the quality of that information. Consequently, she mentioned that it had now become the responsibility of the HoD's to ensure the accuracy of submitted data, prioritising both timeliness and quality standards.

Councillor Mashiya raised concerns regarding the accuracy of information and the efficiency observed from the previous year, highlighting that similar problems had remerged in the current year. She pointed out that last year, the City Manager's office had assured that each HoD would provide a declaration related to that matter; however, it appeared that no progress had been made. She questioned how the same response could be deemed credible in light of persistent inaccuracies and insufficient reliable information. She emphasised the significance of the Annual

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Report for public stakeholders and investors, expressing her frustration that the city continued to struggle with ensuring the precision and authenticity of information in the absence of the required declarations from the HoD's.

Councillor Majeke expressed that the Committee was assured of receiving a quality assurance certificate to accompany the Annual Report. She requested clarification on which version of the report was adopted by the Council and which version was currently accessible on the municipal website. During a recent meeting, she observed that they were informed that the department was working on version nine (9), yet there was uncertainty regarding the version that the Committee possessed. She stated that the confusion fell under the responsibility of the ESS, as they managed the compilation of such documents. She emphasised that all discrepancies should have been addressed prior to their submission to the Council. Additionally, she enquired about the whereabouts of the promised quality assurance certificate and the reason for it not to be attached. She stated that a commitment appeared to have been made but not honoured, and she raised a concern regarding trust in the process.

Councillor Walton stated that quality assurance and version control issues had been raised in the previous five (5) Annual Reports. He added that there was uncertainty surrounding document versions, with authorities using versions other than those provided. He expressed worry that any changes to the documents should be explicitly mentioned so that everyone was on the same page. He noted that the problem had persisted across all directorates involved in conversations, and officials mentioned holding quality assurance certificates but were unable to present them when requested. He stated that those quality assurance certificates should have been implemented and not planned for the future.

Regarding quality assurance, the City Manager noted that he believed that the element that they wish to improve was the implementation of a quality certificate as it related to departments providing information to ESS. He stated that once the Annual Report was completed, a quality certificate was issued to show that the report had been quality guaranteed. He explained that the quality assurance certificate should be extended to those who give information in order to establish accountability beyond the department that received the report. Furthermore, he stated that a new unit will be established to provide preventative assurance rather than simply evaluating after the fact. He indicated that the purpose was to maintain the Annual Report's integrity once it had been audited, ensuring that there were no factual alterations. He mentioned that the strategy sought to boost assurance as the process evolved.

Councillor Majeke remarked on the Annual Report and enquired if the process should not begin with the directorates providing quarterly data initially. She expressed that the Annual Report ought to display cumulative data. She stressed the importance of precise and comprehensive performance management systems, recommending that the quality assurance should occur before the report arrived at ESS. She raised a concern regarding the City Manager's office adopting a top-down method rather than a bottom-up approach. She noted the recurring issues with obtaining clear and accurate information from the directorates, which resulted in repeated findings in the oversight report.

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The HoD: ESS recognised Councillor Majeke's input about the significance of verified data from directorates. She highlighted the establishment of a good governance compliance unit in the City Manager's Office to enhance directorate functions. She stressed the importance of improving monitoring, especially concerning quarterly internal audit results, to guarantee prompt adjustments prior to submitting the Annual Performance Report. She conveyed enthusiasm regarding talks on confirming and validating details, especially concerning power outages. Lastly, she mentioned a unit for ensuring good governance that sought to enhance the verification of performance data and valued the contributions of the Committee to that effect.

Councillor Kalani mentioned that the Institution comprised three areas: Coastal, Inland, and Midland. He pointed out that maintenance strategies and work performance for Coastal and Inland areas were not part of the reported accomplishments. His initial question was why Management had not tackled that issue in the last two (2) years, particularly since the audit revealed concerns with reporting accuracy. He requested clarification on how internal controls could be enhanced to avoid future misreporting.

The HoD: ESS pointed out that he intended to address the maintenance concern regarding the initiation of job cards in various areas and how the details were documented in the yearly report linked to a directorate. She mentioned that issues arose with verifying reported data, resulting in significant inconsistencies, as there was frequently a lack of evidence to back reported successes. She noted that the issue related to the timing of maintenance claims, particularly about when job cards were created and finalised, and it needed validation and adherence from the designated directorate.

Councillor Mashiya noted that Councillor Siboyana had enquired whether the Internal Audit report on high-level compliance was presented to the Audit Committee. She pointed out that she did not hear an answer to it and requested the HoD: ESS to provide a response.

In response thereto, The HoD: ESS mentioned that the report was presented at an Audit Committee meeting by the Department of Internal Audit, in addition to being provided to the Audit Committee

Councillor Walton raised a concern regarding the lack of adequate evidence and transparent methods for assessing reported accomplishments, which was a concern highlighted for more than five years. He enquired about the progress the department had made on that, emphasising that it had not been executed according to the Auditor General's report. He sought clarity for why that was not included in the report and observed that Management's response did not fulfil the Committee's requirements

Councillor Walton mentioned that a report was forwarded to the Department of Electricity on 9 March 2026. He stressed the importance of clear measurement methods, asserting that they were already defined in previous discussions, to aid the Committee.

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The HoD: ESS stated that they collaborated with National Treasury to develop precise technical indicator descriptions, which were subsequently provided to the Auditor-General. She noted that the Circular 88 indicators of the MFMA were incorporated into their performance data and submitted to the Auditor-General for clarification. She pointed out that the primary difficulty was in supplying concrete proof that the established targets were achieved, rather than in determining the indicators.

Councillor Mashiya state that she was disappointment over a postponed response from the department that was anticipated by noon that day. Stating that while they would accept the report, they were not pleased. She emphasize that departmental questions were dispatched on 9 March 2026, yet the department's respond came in ten (10) days later. She mentions that during their initial meeting in Bishop, responses were provided without sufficient time for consideration. She raised a about the delays and stress that authorities should meet their obligations despite those setbacks. She state department should take them through in terms of Appendix f3, on the top four service delivery priorities for the wards for the benefit, also members of the public.

In response thereto, the Hod: ESS stated that the primary emphasis was on enhancing local roads and transportation infrastructure, since rural inhabitants were worried about the state of the roads. She stated that public amenities, such as community halls, libraries, youth centres, clinics, police stations, and sports fields, were also prioritised for improving the quality of life. She mentioned that the housing ranked as the third priority, with continuous endeavours to establish human settlements despite obstacles such as unlawful occupations. Lastly, she noted that there was significant demand for enhanced electricity services, particularly for electrifying informal settlements and enhancing lighting in regions serviced by Eskom.

Councillor Walton concurred with the remarks made by Councillor Mashiya. He stated that the department would provide their information to the Committee the next day; however, the public would not receive answers, putting them at a disadvantage. He mentioned that adjustments would be implemented to the details in the annual Report, emphasizing the importance of effective version control. Moreover, regarding Appendix G related to Internal Audit, he stated that the reply was insufficient, merely referencing the internal audit without offering any explanations. He brought up the problem of numerous versions of the Annual Report, stating that a single comprehensive Annual Report should exist instead of several internal documents, and that replies should be straightforward and respectful.

The HoD: ESS acknowledged the Committee's feedback and expressed that she was not satisfied with her responses and indicating that she would resolve the issue.

Councillor Jaxa emphasized that the details in the appendix regarding lengthy contracts were inaccurate, asserting that the municipality did engage in long-term contracts. He enquired how the city tracked all contracts with service providers if those were not included in the appendix. He stated that the department's response indicated that the Finance Department would supply the needed information, and a

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report would be presented to the Committee. He sought clarity on why specific details were not revealed in the Annual Report.

The HoD: ESS discussed a difficult scenario of managing a document that needed contributions from multiple departments. She pointed out challenges in handling contracts because of dependence on the information provided. She asked the City Manager to assist her with a comprehensive response.

The City Manager conveyed that he found it challenging to address questions and felt caught off guard. He mentioned that the municipality had participated in merely three contracts following legal procurement processes and has not signed any long-term agreements lasting more than three years. He observed that, as he interprets the Municipal Finance Management Act (MFMA), any agreement exceeding one year should be regarded as a long-term contract. He recognized that although agreements lasting over three years are allowed, the municipality possesses long-term contracts that surpass this duration. For example, the financial system agreement has been effective for more than a decade. He stressed that these long-term contracts are not easily altered and maintained that there are no problems with them.

The City Manager stated that it was quite a challenging situation to address and sensed that he was being blindsided. He recognised that the municipality had legally been involved in contracts that were up to three (3) years under the long-term agreement, although the municipality was permitted by law to enter into long term contracts. As of now, he was not aware of any contract in which the municipality has entered a long-term agreement exceeding three years. To his knowledge, all contracts made by the municipality had been limited to three years, which did not meet the definition of a long-term contract. However, he believed that any contract lasting three years or over one year was categorised as long-term. He stated that they should review that definition closely, as his interpretation of the MFMA was that anything exceeding one year was simply classified as a long-term contract. He acknowledge the matter concerning over three years and indicated that the Institution was permitted more than three years, as you rightly pointed out.

Councillor Walton stated that the contracts lasting three years or longer were deemed long-term as per the MFMA. He pointed out that BCMM lacked any long-term contracts that last more than three years, referencing the Financial System contract, which had been operational for more than a decade. He stated that there were additional long-term contract too. He raised a concern that the ESS was lacking information because essential details were not shared in a timely manner. He highlighted the significance of quality assurance from user directorates and mentioned that each Head of Department should attest to the document's quality before it is submitted to the Council.

The City Manager believed that municipal budgets were usually forecasted for just three years contract, which was not seen as long-term. Stating that a Long-term contracts were typically characterised as those lasting more than three years. He mentioned that there were contracts in the municipality that last longer than three years, like the Financial Management System, which might have been acquired for an extended duration or had been in use continuously without appropriate renewal. Upon arrival to the institution, he raised a concern regarding the Financial

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Management System with Treasury, as it was taken from the former East London TLC and transitioned to Buffalo City Metropolitan. He indicated that the system was found to be in breach of sections two and seven of the constitution, which state that municipalities should obtain their own Financial Management Systems. He stated that the Treasury, however, announced a halt on altering financial systems, complicating the verification of intentionally obtained long-term contracts by the municipality.

Councillor Jaxa enquired with the HoD: ESS regarding the lack of escalation to the City Manager concerning issues of unsubmitted information from the directorates.

The HoD: ESS stated that she had delivered a presentation at a Top Management meeting about the information that was submitted compared to that which was not submitted.

Councillor Jaxa asked about the City Manager's presence at this meeting, and it was explained that an Acting City Manager attended in his place

The City Manager stated that there was no escalation from his side. Nonetheless, a consistent concern recognized is the necessity to promote the creation of Standard Operating Procedures (SOPs) for processes related to information submission and escalation. He indicated that once those were set up, it would enhance the delivery of information.

Councillor Majeke raised a concern about the yearly report and the management's supervision. She doubt that the Management conducted a comprehensive review of the report and emphasised that Councillors, possessing minimal analytical abilities, were discovering problems that should have been recognised internally via quality assurance and standard operating procedures. She raised a concerned that a quality assurance certificate was granted even though there seems to be no established procedures, causing Councillors to undertake tasks meant for Internal Audit. Additionally, she stated that they dispute the claim that responsibility rests with the individuals serving as City Manager at that time, emphasising that the position existed independently of the person holding it. She enquired pertaining to the present report's insufficient analysis of grant categories, the necessity for the Management to submit updated budgets, real expenditures, project advancements, and beneficiary counts, as well as a schedule for when management would deliver completely updated, verified, and quality-checked information to the Committee.

The HoD: ESS stated that the Committee raised numerous questions, which was whether the Management reviewed the Annual Report, and her response was no. Concerning grants, a question was raised about when the Committee would obtain updated, verified Quality Assurance information, she requested the City Manager to give a response on that issue.

The City Manager mentioned the National Treasurer's guidelines, referred to as St Judas, related to the creation of oversight and annual reports. He stated that those guidelines acted as a foundation for establishing the criteria for a quality assurance certificate. He then stated that the Committee enquired as to when the Management would deliver updated, validated, and quality-assured information about grants. He

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mentioned that the information could be given in writing to the Committee following the current session.

Councillor Majeke raised concerns about the completeness of table 4.1.11 in the Annual Report, noting that the LED Department acknowledged the table was not included in the report, but they submitted the information on 12 January 2026, but it was still not included. She raised a concern about inaccurate responses related to quality assurance certificates following the National Treasury guidelines while information remained missing. She stressed the necessity for internal directorates to create Standard Operating Procedures (SOP) that exceed the minimum standards set by the National Treasury, proposing an update to the quality assurance certificate process because of persistent missing documents and information. She pointed out that the Committee would need additional details from other directorates, mentioning a major concern where quality assurance certificates lacked independent quality assurance.

Councillor Walton expressed concern that the department's promised response by 23 Monday 2026, would be delayed.

Councillor Walton noted that the question regarding performance had remained unanswered and had persisted as a longstanding concern. He mentioned that the Council had struggled for a long time with the quality of its performance data, which was directly linked to that issue. He felt there was a need to review the data and tackle the root deficiencies. Indicating that the main point was the ongoing disparity in data quality within performance reporting. He emphasised a focused review to enhance the dependability of reports.

The HoD: ESS noted all the comments from the Committee. She indicated that they would review the issues raised and ensure that the response to that question finds expression into the Annual Report.

### 10. PUBLIC QUESTIONS/COMMENTS

Councillor Jaxa described the procedure that the public should follow and requested that the public adhere to his guidance.

A community member from Ward 38 felt that the rural areas were left behind when it came to service delivery.

A community member from ward 39 raised a question that there were directorates that were repeat offenders. He enquired what were the barriers preventing those directorates from complying with findings raised in Internal Audit.

The HoD: ESS assured that the needs of Wards will be attended to. She further mentioned that she would not divulge on names of people from the directorate.

The Chairperson indicate that it would be break time and after that the Committee would deal with the Department of Infrastructure Services.

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**[NOTE: At this stage the meeting adjourned for lunch break, the time being 1: 00 p.m. and reconvened at 1:40 p.m.]**

**11. DEPARTMENTAL ENGAGEMENT: INFRASTRUCTURE SERVICES**

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The Chairperson noted that the Committee was expected to receive written responses from the Department of Infrastructure. Those responses should also include input from the Department of Electricity, the Department of Roads, the Department of Water and Sanitation and Department of Fleet. He pointed out that the Committee had only received responses from the Department of Water and Sanitation. Furthermore, he stated that, for that day, the discussion would focus on the questions and responses from the Department of Water and Sanitation. He clarified that the error was with MPAC, not the Department of Infrastructure, and that the Committee would hold a meeting after the session to discuss how to proceed regarding the Department of Electricity, the Department of Roads, and the Department of Fleet.

Furthermore, the Chairperson stated that concerning the City Manager, the Committee resolved not to address him since he was part of Troika. He noted that they would determine when to address questions and responses they had related to the Troika alongside the City Manager. He stressed the importance of achieving gender equality across all departments of the BCMM, as mandated by the Auditor-General. He then requested the Portfolio: Head Infrastructure to introduce himself and his team, which was duly done.

Councillor Kalani directed the meeting's attention to page No. 15 of the Auditor-General's report concerning the Mdantsane Wastewater Treatment Works (WWTW), which he read duly read. He enquired, considering that project implementation commenced in year 2024, could the Management explain why the project scope was not reassessed to reflect the site conditions and incidents (vandalism/theft) that occurred between Financial Year:2020/2021.

The Portfolio Head: Infrastructure Services stated that the Committee should acknowledge how much the vandalism of infrastructure affected their projects. He then requested the Acting Head of Department: Infrastructure Services to address the question raised.

The Acting Head of Department: Water and Sanitation reported that in 2014, they engaged consulting engineers to evaluate the wastewater treatment facilities in Mdantsane and observed that the infrastructure was deteriorating. He stated that their feasibility study resulted in a comprehensive business plan detailing the required upgrades. Furthermore, he mentioned that the study was finalised in March 2014, and by May 2014, they had created a business plan that segmented the upgrades into four phases, contingent on available funding. He stated that they issued a tender for phase one in 2016 with a budget of R45 million; however, the bids received were approximately R83 million, which hindered their ability to make an appointment because of limited funding they got each year.

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He indicated that upon receiving a budget of R10 million, they would inspect the site after the budget's approval to assess the work that could be accomplished with those funds. He noted that they consistently perform evaluations each year following the allocation of the budget, typically approved by the Council in May. He also mentioned that the Auditor-General pointed out errors in the 2014 business plan. He stated that they now conduct annual assessments of the treatment plant to determine necessary actions at the site based on the available budget.

The City Manager stated that, as his presentation was not needed, he would like to excuse himself. He mentioned that since he had a scheduled meeting with a Ministers the following morning at 8:00 a. m. he required time to prepare for the meeting.

The Chairperson agreed to the City Manager's request and instructed him to contact someone to represent him.

Councillor Walton expressed that the primary matter discussed was the budget allocation for a long-term project, which may extend from five to eight years or longer. He noted that there was uncertainty regarding the budget requirements for various phases of the project, especially concerning the first phase. He pointed out that the uncertainty complicated the planning process because, without assured funding, it became difficult to implement the projects effectively and to select contractors. He stressed that substantial projects, such as a wastewater treatment works, necessitate long-term financial certainty to achieve success, in contrast to smaller projects. He subsequently requested feedback on the budgeting matter and its repercussions on large projects.

In response thereto, the Acting Head of the Department: Water and Sanitation stated that the projects discussed had been planned over an extended period, with a timeline of four (4) years for their completion. He pointed out that phase four (4) was originally scheduled for completion by June 2018; however, progress halted after the completion of phase one (1) due to funding issues. Furthermore, he noted that the projects required substantial funding, estimated at over R200 million, but obtaining that amount upfront was not unrealistic and indicated that a change in strategy was necessary. He further mentioned that the construction of Wastewater Treatment Plants were costly, with current expenses nearing half a billion rand. He explained that, due to budget constraints, phase one had been divided into smaller segments, such as phases 1a, 1b, and 1c, in order to align with the funding available. He emphasised that the situation underscored both the challenges of budgeting and the high costs of infrastructure relation to the funding received.

Councillor Siboyana raised the following questions: what were the effects of service delivery, and how did dependence on that outdated scope coupled with the observed poor workmanship and lack of maintenance affect operational functionality and lifespan of the WWTW. Additionally, she enquired about the updated schedule for providing those essential services to the community.

In response thereto, the Acting Head of Department: Water and Sanitation stated that the evaluation of the service delivery scope was conducted on an annual basis, which was not a concern. He noted that the process of renewing the infrastructure

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at the treatment plant was currently in progress, as the mechanical equipment had become obsolete, despite the fact that the concrete structures remained in satisfactory condition. He further mentioned that upgrades had been scheduled over a period of four (4) years; however, the plant had deteriorated to a level that was negatively impacting service delivery, as it could no longer treat effluent to meet required legal quality standards.

He reported that the treatment facility had been vandalized, resulting in its ability to meet only 75% of the required standards for effluent discharge, which necessitate 95% compliance. He noted that the situation had an adverse effect on service delivery due to the unregulated quality of the discharge. He indicated that, at present, the initial phase of the facility had been restarted following repairs; however, other equipment continued to require restoration. He stated that the entire repair process was anticipated to take approximately three years to complete.

Councillor Mashiya noted that the Auditor-General had once more reported on the current financial year under review, indicating that out of fifteen (15) WWTW only three (3) possessed valid water use licenses. She pointed out that the Auditor-General's report stated that procurement processes were in place; however, they had not been finalised within a twelve-month period, resulting in difficulties with plant operations. She requested that Management provide an explanation of the actions taken in the previous year to resolve the same issue and also sought clarification on the current status of the bid evaluation process.

The Head of Department: Water and Sanitation reported that the Municipality operated fifteen (15) Wastewater Treatment Plants (WWTP), yet only three were licensed: Zwelitsha, Reaston, and Quenera. He clarified that those licenses were issued by the Department of Water and Sanitation and were valid for twenty (20) years, with their expiration occurring between 2006 and 2010; the most recent license expired in 2010. Furthermore, he noted that the Institution had submitted applications for new licenses in 2009 and 2010 but did not receive any response until 2016. He mentioned that new regulations were implemented in 2017 by the Department of Water and Sanitation, which required the installation of groundwater monitoring boreholes before applications could be processed.

Additionally, the Head of Department: Water and Sanitation informed that BCMM needed to install forty-eight (48) boreholes at an estimated cost of approximately R5 million. He acknowledged that COVID-related delays had hindered the progress; however, by 2022, the boreholes had been installed, and groundwater monitoring was successfully completed. He indicated that the municipality was preparing to submit license applications and had conducted community consultations. He also mentioned the appointment of service providers and the completion of registration, organising the twelve (12) WWTP into groups of four (4). He added that consultations had commenced with councillors for the first group of four (4) plants and that they were now ready to engage with interested and affected parties regarding those facilities. He specified that developing a public participation report was part of their protocol and should be included with the application. He expressed his intention to initiate a public participation in the upcoming weeks and aimed to submit the applications to the Department of Water and Sanitation in August 2026, adhering to a stringent regulatory framework.

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Continuing thereto, Councillor Mashiya stated that the department had presented a Water Infrastructure Improvement Plan (WIIP) to the Top Management in October 2024. She enquired whether that had benefitted the department in its implementation or in securing resources from the municipality. She noted that the funding required by the department to address their challenges amounted to R564 million and questioned whether the department had managed to allocate any of those funds. Additionally, she mentioned that the department had reported plans for a six (6) month bioremediation pilot project and asked if that project had been implemented. If it had, she requested information on any lessons learned from it. Lastly, she enquired the department to clarify if they had contributed to the Institution's progress in addressing the issues related to wastewater treatment.

In response thereto, the Acting Head of the Department: Water and Sanitation stated that in 2004, the City Manager requested a WIIP, which was submitted in October 2024. He indicated that the plan projected a cost of approximately R463 million for upgrading the WWTP's and pump stations. He further mentioned that the objective was to repair all infrastructure within a three (3) year timeframe, taking into account the current condition and environmental impact. However, he noted that the budget timeline was not met, and the subsequent year's budget did not provide adequate funding for that plan. He added that R39 million had already been invested in implementing the plan, not including projections for two WWTP's responsible for environmental pollution.

Councillor Walton stated that he received a response to his initial question about the renewal of licenses for the WWTP from the Acting Head of Department: Water and Sanitation. He enquired about the management's plan to address the issue of raw/untreated discharges into river streams that posed health risks to both communities and wildlife in locations such as Nahoon, Gonubie, Kidd's Beach, and Beacon Bay. Furthermore, he asked why those critical facilities were left in a vulnerable state to the extent that they could completely shut down. He requested a report detailing the repair and recommissioning efforts for the four plants. In addition, he sought information on what actions the department was taking to maintain operations in the interim, in order to manage wastewater flow in those areas and prevent environmental and health hazards affecting Gonubie, Beacon Bay, Nahoon, and Kidd's Beach.

The Head of Department: Water and Sanitation emphasised that the condition of the wastewater infrastructure was extensive and that various funding options were being considered, including Public-Private Partnerships (PPP's). He mentioned that consideration was prompted by the aging and damaged infrastructure, which required renewal. He mentioned that they were reviewing the improvement plan previously established and analysing each plant individually along with its corresponding action plan. Furthermore, he indicated that they began with three plants that were identified by the Auditor-General and completed the action plans for those plants. He stated that the action plans focused on immediate improvements needed for both short-term fixes and long-term upgrades for each plant for a timeline for six months and considered which actions could be done over twelve months. He stated that by the end of June 2026, all 15 WWTP would each have an action plan in place with defined timelines to restore them to functional conditions. He also discussed the upgrades undertaken at the Nahoon Outfall Sewer, which extended from the old Transkei Road to Nahoon Beach, where the

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sewer was pumped to the treatment plant. He pointed out that the last upgrade at the Nahoon Outfall Sewer involved the installation of a parallel line in 1994, which now required further improvements. He explained that the sewer line was flat, a design no longer utilised, and highlighted that a parallel line was installed 18 months ago to establish two pipelines through that flat section, which had since been completed and commissioned. He further mentioned that they had engaged a service provider to design a 4.3 km line, which was estimated to cost approximately R300 million. He indicated that once the designs were finalised, funding would be allocated for the project. Regarding Kidd's Beach, the initial plan focused on securing the infrastructure. He noted that due to vandalism, the department had conducted repairs three times for the same issues. Consequently, they were constructing a 3.6-meter-high concrete wall with a strength of 85 Megapascals (MPa) to secure the plants, which costed R11,000 per meter.

Councillor Walton stated that the electricity department had made improvements to the intruder alert system at the site. He enquired whether the department had considered that matter, as there were concerns about individuals accessing the WWTP. He emphasised that it was crucial for the department to take action and enhance the intruder alert system to prevent those individuals from causing significant damage to the site.

In response thereto, the Acting Head of Department: Water and Sanitation stated that the enhancements to security would be carried out in phases. He mentioned that they would construct a high concrete wall topped with an electric line, install cameras, and implement an alarm system. He also noted that within the wall, they would incorporate an invisible sensor line and a deep concrete foundation beneath it. Additionally, he pointed out that they were in the process of finalising a contract for alarm response services. He stated that all those initiatives represent a costly endeavour, and it would take approximately three (3) years to ensure the security of the infrastructure.

Councillor Majeke enquired about the infrastructure issues related to the WWTP that had resulted in sewer spillages, asking which department holds responsibility for that matter.

The Acting Head of the Department: Water and Sanitation stated that internal blockages within households were not their responsibility. He mentioned that as the department they were monitored by two (2) National Departments: the Department of Water and Sanitation and the Department of Forestry, Fisheries, and the Environment, focusing on the timing of their responses to spillages.

Councillor Majeke stated that it was a national requirement for all infrastructure departments to allocate 8% of their budget for the maintenance of infrastructure. She enquired about the department's current status in meeting the national standard concerning the budget allocation for infrastructure maintenance.

The Acting Head of the Department: Water and Sanitation stated that the findings from the Auditor-General revealed that the Institution was operating at only 2% of the recommended budget outlined in Circular 71 from the National Treasury, which advised that the maintenance should be budgeted at 8% of the asset's current carrying value after depreciation. He expressed concern over the municipality's

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inadequate budget allocation, identifying it as a nationwide issue. Furthermore, he noted that there had been reforms regarding trading services across the country for Metropolitan Municipalities that allowed the Department of Water and Sanitation to utilise the funds collected from the public for Water and Sanitation Services. He expressed optimism that, in the current year under review, the department would manage its own budget and aim to increase the allocation to a more substantial amount, nearing 8%. He acknowledged that the department had not been successful in effectively allocating funding for operational and maintenance that was needed.

Adding thereto, the Acting City Manager noted that the Institution's Infrastructure was allocated a budget of 4%, and that the Department of Infrastructure Services utilised that budget. He explained that the Auditor-General's report examined all ten (10) departments. He mentioned that the new budget focuses on renewable infrastructure, which was intended to substitute repairs and maintenance of existing structures. Additionally, he emphasised that efforts would not be limited solely to new programs; they would also prioritise the maintenance and replacement of current infrastructure. Regarding the Cost Module, he stated that a decision would be made in the future on how to attain that target.

Councillor Walton noted that 'Trade Reform,' which was a significant reform, was not included in the Annual Report. He enquired why it was omitted from the report.

Regarding 'Trade and Reform,' he pointed out that all Metropolitan Municipalities across the country initiated that in the Financial Year 2025/2026. He asserted that a paragraph about it should have been included in the Annual Report but affirmed it would be included in the subsequent Annual Report instead. Additionally, he mentioned that there was a budget of R1. 2 billion allocated for BCMM over a span of six (6) years. He emphasised the importance of achieving that funding, as it was intended to address the needs of aging infrastructure.

Councillor Jaxa referred the meeting to page 16 of the Auditor-General's presentation and duly read. He requested that the department provide the Committee with the complete names and designations of the officials directly responsible for the physical security and maintenance of the four WWTW that were currently non-operational due to vandalism.

The Acting Head of the Department: Water and Sanitation stated that, historically, the Institution had not employed security personnel or private security for its Wastewater Infrastructure. However, he noted that the Municipality began to allocate a security budget for Water and Sanitation Infrastructure in Financial Year: 2015/2016. He observed that the frequency and severity of vandalism had significantly increased after the COVID-19 lockdown period. He also mentioned that they began to secure services from private companies, depending on their budget. He indicated that security would only be available during periods for which funding was approved. Furthermore, he pointed out that there were no official Municipal names available for individuals responsible for securing the infrastructure, as they were not directly accountable for ensuring security for municipal infrastructure. He mentioned that the security service they used for a month cost around R60,000 for both daytime and night-time coverage. He explained that the expense was why they

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had shifted away from employing such costly personnel and were now transitioning to a more affordable alarm security system.

Adding thereto, the Acting City Manager stated that they were not prepared after the COVID-19 pandemic to address the rising unemployment, which resulted in vandalism at the WWTP and the robots. He noted that due to the funding now designated for the protection of assets, they had to take measures to safeguard those valuable resources.

Councillor Jaxa enquired as to why the WWTW were left without security, leading to acts of vandalism.

The Head of Department: Water and Sanitation indicated that the rate at which the vandalism increased surpassed their ability to respond. He noted that the vandalism at the WWTP commenced in 2017 at the facility in King Williams Town.

The Portfolio Head: Infrastructure Services indicated that some mufflers were implicated in the vandalism incidents at the WWTP's.

Councillor Mashiya pointed out that the Zwelitsha WWTP had an effect on the community in terms of Local Economic Development (LED) and to the housing that was meant to be constructed. She requested clarification regarding the economic impact on the residents. Furthermore, she urged the Acting Head of Department: Water and Sanitation to provide the Committee with a Forward-Looking Plan. Indicating that the plan should offer assurances to the residents of Buffalo City about the intentions of the Buffalo City Metro Municipality (BCMM) concerning the future of the Zwelitsha WWTP.

The Acting Head of Department: Water and Sanitation stated that, as the BCMM, they would be upgrading the Zwelitsha WWTP, which was originally constructed as a regional facility. He indicated that an aspect of their strategy included redirecting the Schornville WWTP, which had been entirely vandalized, along with diverting the Bisho WWTP and Breidbach Ponds to the Zwelitsha WWTP. For all infrastructures lacking sufficient capacity, they had ceased approving new developments. Proposals for office buildings and shopping centres in Bisho and King William's Town could not be approved due to the lack of capacity. He noted that funding for the Zwelitsha WWTP had been allocated in the upcoming financial year.

Councillor Jaxa requested that the Acting Head of Department: Water and Sanitation rectify the false information regarding the quality of the city's drinking water that had been circulated on the social media. He urged that the Head of Department to inform the public about the South African National Standards for drinking water and to clarify the actual quality of the water, whether it was satisfactory or poor.

Councillor Jaxa requested that the Acting Head of Department: Water and Sanitation provide an explanation regarding the concept of 'Blue Drop' in relation to water.

The Acting Head of Department: Water and Sanitation stated that South Africa's drinking water standards were in line with the international health guidelines, specifically those set by the World Health Organization. He noted that those

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standards were implemented across different municipalities. He reported that there were eleven (11) water supply systems within the region, with five (5) managed by the Buffalo City Metropolitan Municipality, five (5) by Amatola Water, and one (1) by the Amatole District Municipality. He also mentioned that the water quality from those systems complied with the required standards between 95% and 98%, and that the BCMM consistently achieved water quality above 95%. Regarding a recent video that circulated, which claimed there was poor water quality, he clarified that it only assessed solids in the water and did not evaluate overall safety. He emphasised that the standards in South Africa ensured that overall water quality was maintained.

Councillor Jaxa enquired about the blue drop audit, which yielded a score of 83.48%.

In responding thereto, the Acting Head of Department: Water and Sanitation clarified that the misunderstanding regarding water quality stemmed from the measurements taken by the Auditor-General and the Drinking Water Sense. He explained that forty-two (42) parameters, including pH levels and E. coli counts, were used to evaluate water quality, confirming that the established standards were met. He noted that the Blue Drop certification encompassed five (5) main areas: Capacity Management, Risk Management, Financial Management, Technical Management, and water quality itself. Furthermore, he mentioned that Capacity Management reviewed the qualifications and training of plant operators, while Risk Management evaluated inspections and safety plans. Financial Management focused on budgeting for maintenance and infrastructure needs, and Technical Management dealt with asset evaluations and audits. He also pointed out that the reported 84% score indicated the overall performance of the municipality, whereas the 96% score was specifically related to water quality, highlighting that they assessed different elements.

Councillor Jaxa enquired whether the Committee ought not to be concerned regarding the decrease in percentage or score, specifically the 83.46%.

The Acting Head of Department: Water and Sanitation stated that the objective was to achieve 95% compliance. However, at present, the framework was incentive-based, thus categorising it as a best practice rather than a strict requirement. He noted that the municipality was actively working towards that target, with the intention that all treatment plants, including those overseen by Amatola Water, would meet the 95% standard within a span of five (5) years. He also reported that compliance had currently reached 84% across all 11 systems. Furthermore, he indicated that to attain those standards, meetings had been coordinated between the BCMM and Amatola Water to develop a collaborative program.

Regarding the performance of the Institution, Councillor Majeke indicated that it was reported that 98% of households with assets had access to a basic level of water supply. She stated that the figure served as both the baseline for the target and the actual outcome. She enquired whether the 98% included communities that experience intermittent water shortages. She also mentioned specific areas, such as ward 15, Gonubie, parts of Mdantsane, and certain regions in Ziphunza, where residents currently lacked access to water. Furthermore, she discussed the best practices in water quality management within the municipality, which aimed to

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address the issue of water shortages in those communities. Additionally, she noted that in situations of inadequate water supply, water trucks were utilised for delivery. However, she pointed out that those trucks sometimes sourced water from fire hydrants, which raised concerns about both the cleanliness and quality of the water being delivered. She emphasised the importance of conducting quality checks on the water provided by those service providers to ensure it was safe for consumption and use. She requested further clarification on the quality standards of the water that was being supplied.

Councillor Walton pointed out that the Annual Financial Statements (AFS) revealed an increase in water losses from R147 million to R187 million. He noted that it was supported by the Auditor-General's report, which indicated that water losses surged from 9.8 to 11.2 million kilolitres. He expressed that there was an expectation for those losses to decline; however, they had instead escalated, resulting in a considerable deficiency in the water account surplus, which was projected to be at least R20 million lower than anticipated. He requested feedback on those observations, seeking further clarification on the matter.

The Acting Head of Department: Water and Sanitation addressed issues related to water supply in specific regions, indicating that 98% coverage pertained to areas with established water infrastructure, leaving approximately 2% lacking access to water. He indicated that the deficiency primarily affected informal settlements and expanding villages near urban areas. Indicating that although some communities do have water supply, challenges persist, such as unauthorised connections that hinder effective distribution in areas like Needs Camp, Kaizer's Beach, and Dimbaza were especially affected. He Furthermore, he stated that the department necessitated the use of thirty-five (35) water tankers monthly to provide water to those without a reliable source. He indicated that while those tankers were meant to deliver free water, there were concerns regarding the illegal selling of water to communities, which the organisation was actively monitoring that issue.

In addition, the Acting Head of Department: Water and Sanitation stated that a new contract for the water tankers included provisions for monitoring their routes and conducting monthly tests of water quality to ensure adherence to standards. He mentioned that there were reports about the quality of water from tankers which had surfaced, resulting in an agreement to perform regular inspections. He stated that suppliers were required to maintain cleanliness standards, with the potential for contract termination due to repeated infractions. Furthermore, He mentioned that the organisation was forming a leak detection team and was engaged in renewing infrastructure to minimise leaks associated with water pressure. A budget had been set aside for pressure-reducing valves that will help maintain adequate pressure for domestic usage. Adding thereto, he mentioned that plans were underway to educate the community about the necessity of preventing water misuse, particularly concerning illegal car washes that contribute to the problem of non-revenue water. Lastly, he stated that the document highlighted the upcoming initiatives which focused on reducing non-revenue water over the next three (3) years to enhance overall water management.

Councillor Majeke highlighted the necessity for the regulation of car washes, noting that the matter had been delayed within the Council. She stressed the pressing need for the Council to finalise and enforce those regulations. She expressed

**MPAC: PUBLIC ENGAGEMENTS 19 MARCH 2026**

concerns regarding the oversight of water trucks and the quality of drinking water supplied to the community. Furthermore, she enquired about the existing systems for tracking and monitoring water quality, underlining that access to clean water was critical for health and survival. She raised a concern that without proper oversight, residents might consume unsafe water from water trucks, especially as a temporary solution amid issues with infrastructure and maintenance. She emphasised the significance of implementing effective protocols and expressed concern over potential negligence if current safety measures were insufficient. Lastly, she acknowledged the necessity for enhancing the current practices if existing standards were inadequate.

Councillor Walton noted that there were two primary concerns regarding water line bursts. First, he explained that if there were three or more bursts along a single line, a policy mandated the immediate replacement of that line, as further bursts were likely. He expressed concern about the cost-effectiveness of replacing sections of the line, as the replacement of one section could lead to stress on another segment. He also mentioned a second issue related to heavy trucks crossing water lines, which could potentially result in bursts. He enquired whether there were means to assess if the pipes were damaged due to external factors, such as contractors' activities, and he sought information about recovering costs for damages which incurred by such circumstances.

Councillor Jaxa stated that he just received a message on his phone about a broken hydrant located at ward 48 in Mdantsane, near Nondlwana Church. He enquired with the Portfolio Head: Infrastructure Services whether that issue could be addressed. He mentioned that the Committee ought to concentrate its questions on the Annual Report for the current year under review.

The Acting Head of Department: Water and Sanitation noted that the municipality was currently not monitoring water quality issues that affect communities, although that had now become a necessary requirement in their contracts. He emphasised that failure to comply would result in contract termination. The Scientific Services team performed over 2,900 tests weekly, and there was a pressing need to improve monitoring, possibly by engaging a private company, as they could no longer overlook the lack of oversight. He mentioned that a new contract was anticipated to commence in two months, aimed at enhancing compliance with water supply standards. Additionally, he pointed out that the Institution managed a water supply network valued at R8.6 billion, with approximately R4 billion required to update aging infrastructure. He stated that the last comprehensive assessment was conducted in 2016, and further evaluations were necessary to examine the condition of the infrastructure. Currently, he indicated that pipe replacement was reactive, occurring only in areas with frequent problems. Furthermore, he acknowledged that there was no detailed plan but stated that efforts were ongoing to prioritise the replacement of old infrastructure before failure occurred. He indicated that construction companies should adhere to municipal guidelines to prevent damage to pipelines, which had been an ongoing issue. He concluded that enforcing those bylaws was essential for reducing costs and ensuring the effective delivery of essential services, as illegal dumping had compounded the water and sanitation challenges faced by the Institution.

**MPAC: PUBLIC ENGAGEMENTS 19 MARCH 2026**12. PUBLIC QUESTIONS

A community member from Ward 31 stated that there were people that drink water from streams. She enquired that how long should it be for them to get a proper running water.

Furthermore, a community member from Ward 31 in Ncerha indicated that they were without water for the period of 5 years.

13. DEPARTMENTAL RESPONSES

The Acting HoD: Water and Sanitation indicate that he had noted all the question regarding to clean drinking water. He mentioned that when looking for a service provider you look at the ethics, highlighting the illegal connection of water which had a negative impact within the Infrastructure for rural areas. He mentioned that the public were illegally connecting at a rate that was for urban areas which affected the inland

14. CLOSURE

The Chairperson thanked all the participant in the meeting and indicated that on Day 3 of the Public Participation, the Committee was supposed to deal with Troika + 1 (City Manager) indicating that the Troika would not be available on that day. He further mentioned that as the Committee they would have a discussion about a way forward.

He then declared the meeting adjourned.

NOTED

**[The meeting adjourned at: 18:34 p.m.]**



**BUFFALO CITY**  
METROPOLITAN MUNICIPALITY

## AGENDA

# MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING

23 MARCH 2026

09:00AM



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

## MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Notice is hereby given that the **FIFTH (5<sup>TH</sup>) PUBLIC HEARING** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026 will be held on

**Monday, 23 MARCH 2026**

at

**09:00 A.M**

via

**VIRTUAL PLATFORM**

**COUNCILOR: M.P. BASOPU**

**CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Um  
(SUBAGENDAS/2026/MPAC)

265 Oxford Street,  
EAST LONDON  
20 MARCH 2026

**MEMBERS:** (10)

**QUORUM:** (6)

Councillors: M. Basopu (Chairperson)  
M. Hlekiso  
P. Jaxa  
B. Kalani  
A. Majeke  
M. Mashiya  
V. Siboyana  
G. Walton  
Vacant



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

## **A G E N D A for the FIFTH (5<sup>TH</sup>) Public Hearing**

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Apologies.
4. Adoption of Agenda
5. Introductions
6. Purpose of the Public Hearings
7. Engagement with Directorates:
  - 7.1 Executive Mayor
  - 7.2 Speaker of Council
  - 7.3 Chief Whip of Council
  - 7.4 City Manager
  - 7.5 Infrastructure
  - 7.6 External Stakeholders submissions
8. Closing Remarks
9. Closure



BUFFALO CITY

METROPOLITAN MUNICIPALITY

**MINUTES of the PUBLIC HEARING  
meeting of the MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE of  
BUFFALO CITY METROPOLITAN  
MUNICIPALITY held on MONDAY,  
23 March 2026 at 09:00 A.M. at  
CRARFORDS BEACH LODGE  
CINTSA**

**DAY: 5**PRESENT:

Councillors:	P. M Basopu	(Chairperson)
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G.K. Walton	
	Vacant	
	Vacant	(7)

ABSENT:

Councillors:	M. Hlekiso	(1)
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OFFICIALS

City Manager	(Mr. M. Yawa)
Head of Department: Infrastructure Services	(Ms. N. Mqoqi-Mondi)
Head of Department: Electricity & Energy	(Mr. R. Perrie)
General Manager: Communications & Development Co-Operation	(Ms. O. Mahlangu)
General Manager: Electricity & Energy	(Mr. C. Gower)
General Manager: Speaker & Chief Whip Office	(Mr. M. Sotshana)
Senior manager: PIU	(Mr. S. Gqodo)
Program Manager: Speaker's Office	(Mr. V. Zatu)

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Operations Manager: City Manager's Office	(Mr. S. Nkonki)
Program Manager: Municipal Public Accounts Committee	(Ms. N. Nzwana)
Senior Committee Secretary: Municipal Public Accounts Committee	(Ms. U. Myoyo)
Committee Secretary: Municipal Public Accounts Committee	(Ms. A. Komani)
Committee Secretary: Municipal Public Accounts Committee	(Ms G. Gulwa)
Personal Assistant: Chairperson	(Ms. B. Bacela)
ICT Practitioner	(Mr. L. Jongwana)
Communication:	(Mr. U. Xala)
Communication:	(Ms. L. Mnukwa)

**IN ATTENDANCE**

Speaker of the Council	(Cllr. H. Maxegwana)
Chief Whip	(Cllr. S. Matwele)
MMC: Infrastructure Services	(Cllr. M. Mfazwe)
Director: CoGTA	(Ms. V. Mbelani)

**1. WELCOMING**

The Chairperson welcomed the Speaker of the Council, the City Manager and his officials, the stakeholders, the support team and the public watching on Facebook. He explained that there was insufficient number of Councillors to constitute a quorum and requested an extension of time as per the Council Standing Rules, to allow the meeting to quorate.

When dealing with issues, the Speaker of Council requested that they be addressed in the unique framework of what he had given in the Annual Report. The response was that it would be as such.

**[NOTE: At this stage the meeting adjourned, the time being 09:05 a.m. and reconvened at 09:15 a.m.]**

**2. READING OF THE NOTICE**

The Chairperson read the notice convening the meeting.

**NOTED**

**MPAC: PUBLIC ENGAGEMENT 23 MARCH 2026**3. OPPORTUNITY FOR SILENT PRAYER OR MEDITATION

The Chairperson allowed an opportunity for silent prayer or meditation.

NOTED

4. APOLOGIES

Concerning the Executive Mayor, the Chairperson noted that the office had been informed that she would participate in the Public Engagement on that day. The Chairperson tendered an apology on behalf of the General Manager: Municipal Public Accounts Committee (MPAC), who would be attending the meeting at a later time. He also mentioned that concerning Infrastructure Services, they were busy sorting their responses and would attend the meeting afterward. He mentioned that concerning Infrastructure Services, they were busy sorting their responses and would attend the meeting afterward.

Councillor Kalani tendered an apology on behalf of Councillor Jaxa who was delayed but on his way to the meeting.

Councillor Majeke sought clarity regarding the Executive Mayor's apology, as the Committee had been lenient towards her.

She mentioned that it was the last day of the Public Engagements and that the Executive Mayor was expected to participate in the events.

The Chairperson instructed the support staff to follow up with the office of the Executive Mayor.

The Program Manager: MPAC stated that the support staff had contacted the office of the Executive Mayor to determine if she would attend the meeting in person or participate via live stream, and they were still awaiting a response regarding that matter.

NOTED

5. ADOPTION OF AGENDA

Councillor Mashiya seconded by Councillor Kalani moved to adopt the agenda with amendments.

NOTED

6. PURPOSE OF THE PUBLIC HEARINGS

The Chairperson welcomed all attendees to the MPAC Public Hearings Oversight Session and noted that the meeting was convened in fulfilment of the Committee's oversight mandate in terms of the Constitution of the Republic of

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South Africa, 1996, the Local Government: Municipal Systems Act, 2000, and the Local Government: Municipal Finance Management Act, 2003. He highlighted the importance of accountability, transparency, and Public Participation in Municipal Governance and thereafter officially opened the session.

**7. PUBLIC PARTICIPATION: SPEAKER & THE CHIEF WHIP OF THE COUNCIL**

Councillor Walton referred the meeting to pages No's. 68 to 74 in comparison to page No's. 662 to 665 of the Annual Report, which he duly read. He requested that the Speaker provides a precise explanation of the current structure of the Council Committees and clarify the discrepancy between the formal constitution of those Committees as described in Chapter Two and in Appendix B of the Annual Report. He noted that some of those Committees did not fall under the jurisdiction of the Speaker of the Council but instead are under the jurisdiction of the Executive Mayor.

In response thereto, the Speaker of the Council first expressed his apologies for not attending on the scheduled date before the Committee, attributing his absence to the demanding schedule of his office. He noted that his office, in collaboration with the Chief Whip's office, functioned as a unified body overseeing the Institution. He also stated that they prepared one report to address the responses of the Committee. He indicated that the concerns of certain Committees were brought before the Council but were addressed by the Chief Whip of the Council.

The Speaker indicated that issues arising from specific committees were brought before the Council, with the Chief Whip leading the discussions. He conveyed that their office fully supports the MPAC and acknowledged that those discussions pertained to the Financial Year: 2024/2025. Furthermore, he emphasized their recognition that public engagement was fundamental to their role as a Council, and that they should hold themselves accountable in an unbiased manner to the community they serve, particularly the residents of the Buffalo City Metropolitan Municipality (BCMM). He noted that the objective of public accounts was to facilitate forums for community involvement, which was closely tied to their responsibilities. He asserted that they did not view that process as simply a procedural obligation; rather, it represents a commitment to oversight, accountability, and the Institution's credibility.

Additionally, the Speaker expressed his intention to confirm that the detailed report would be examined that day, which contained written responses to specific questions. He indicated that what remained was to consider, at both political and institutional levels, the implications of the issues presented. Furthermore, he noted that sometimes the tools did not serve as an effective measure of the Council's accountability; instead, they should correctly represent their performance. Concerning Regulation 63 of the MFMA, he made it clear that there was no uncertainty. He stated that the report ought to be reliable, precise, and subject to thorough quality assessments. He emphasized

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that when expected standards were not achieved, it represented not just a technical problem, but a failure in accountability. In conclusion, he mentioned that the issues raised by the MPAC were very significant and should be properly addressed.

Councillor Majeke enquired whether the report concerning the Speaker of Council was based on the previous version of the Committees structure, which had since been revised. She requested to know if there had been a timeline or any corrections made in that matter and whether the Speaker would agree to conduct a comprehensive review for documentation purposes, ensuring that the formal constitution of the Committees aligned with the public reporting systems. Furthermore, she questioned if the Committees listed under Appendix B on the Annual Report were the ones responsible for making decisions, asking if that raised any concerns regarding the legitimacy of the decisions or recommendations made by those Committees.

The Speaker stated that their current operations did not match the concerns raised in the Committee's questions. He expressed that the administration offered guidance to Council which consisted of one hundred (100) members, had allowed the situation to continue for too long. He suggested that they should now take measures to correct that matter. Additionally, he noted that if actions were not in compliance with legal requirements issues could arise, and those needed to be addressed by the Councillors. He accepted collective responsibility for the entire Council in raising those issues and emphasized that both the Institution and the administration ought to provide support when they deviate from the appropriate course.

Councillor Mashiya indicated that the report detailed the Committees and their respective roles, noting that the multiparty Committee was led by the Chief Whip. She expressed her disappointment that the report contained very little, if any, information concerning the Committee's functionality. However, she acknowledged the Speaker's efforts over the recent period to aid Councillors in ensuring the Committee's effectiveness and operational success. Furthermore, she conveyed her belief that they had concluded that specific financial year with the Committee, which did not support the Council in its functions. She emphasized the importance of informing the new Chief Whip about past events as that knowledge related to the previous year, would shape how he should assist the Council moving forward. She proposed that it could simply be noted that no information was available in the file on that matter, or that the Chief Whip or the Speaker could decide to address that issue if they deemed it necessary.

The Chairperson mentioned that it was the Committee's last meeting and that they would prepare a report and reach a conclusions and take further actions. He suggested that the Speaker to provide feedback to the Committee on the issues raised within 24 hours, indicating that the Speaker addresses the gaps. However, he noted that if that was not possible, it would be acceptable, as the Committee was still required by law to produce a report, and they would also take the provided feedback into account.

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The Speaker acknowledged the necessity of addressing the concerns regarding the multi-party situation. He pointed out that the matter had been a recurring topic of discussion. He expressed his belief that members of the multi-party coalition were reluctant to participate in Zoom meetings, and that the concern had been communicated by the coalition members. Moreover, he assured that he would ensure that those meetings occur. He mentioned that the new Chief Whip had previously held the position of Chief Whip of the Council and that during his tenure, such issues had not arisen. He emphasised the importance of both himself and the Chief Whip committing to attending those meetings and addressing the concerns. He recognised that the audience on Facebook were attentively listening, and he reiterated this point before them as he had done in the Council. Additionally, he noted a significant lack of discipline among the members of those Committees, which hindered their ability to make necessary corrections due to individual absences. He expressed his view that those members had continually underperformed within the Council of BCMM.

The Chairperson expressed that beyond the frustrations of the Committee, those issues were also impacting the audit results. He stated that if those matters continue in the same way, it suggests that the audit outcomes would remain the same. He further mentioned that while they frequently talked about consequence management concerning the City Manager and the departments, the Committee should also direct their attention to the individuals involved, especially in relation to the disciplinary matters that the Speaker was emphasising among Councillors, Committee members, and the Facebook audience. He sincerely hoped that all give that issue the attention it deserves, as it was significant as well.

Councillor Majeke emphasised that the Speaker was raising an important issue regarding the attendance of Councillors at both the Committee and Council meetings. She stated that currently, under the law, a Councillor who missed three consecutive meetings was no longer eligible to serve. She enquired if the Speaker have, he ever encountered any instances of that kind and if he was aware of any such cases. She further asked if the Speaker had implemented any measures for managing the consequences management. Furthermore, she stated that the Speaker had a legislative responsibility to address the matter of Councillors who were consistently absent from meetings. She enquired if as the Council did, they have thoroughly investigated those particular concerns.

The Chairperson pointed out that there exists a Committee member who had never attended any MPAC meetings or participated in the Annual Report review. He noted that a letter was sent to the Speaker's office, but no response had been received. He expressed that when the Speaker do respond, it provides valuable information to the Committee. He also conveyed his curiosity about the functions of individual political parties, as most of the present members were appointed by their respective parties. He enquired about the specific role of the political parties in this context.

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The Speaker stated that attendance, or the lack thereof at the Council Committees was analogous to attending or missing the quarterly Council sessions. He mentioned that they had provided reports to the Council that recognise the Chairperson and indicate who had participated in the Committees as opposed to those who have not. He stated that it was comparable to the reports concerning attendance at Council sessions which should also be handled in a similar manner. He mentioned that if an individual did not attend three (3) consecutive meetings it was clear that removal from the Council was warranted.

Councillor Kalani stated that he did not here any responses concerning the responsibilities of political parties in that issue, noting that it was important for those parties to participate as well. He mentioned that the Speaker's point was clear and correct that if one missed three times in attending a meeting, and the question arose was who had the authority to remove you from the council.

The Speaker noted that when one took an oath as a person, it was an oath to remain loyal to the Constitution of the Republic of South Africa and to all other regulations. Ultimately, he mentioned that it was not about a political organization but concerns the Council on making a decision grounded in the Council's legislation.

The Chairperson stated that he believed that they should consider those matters raised by the Committee. He believed that every political party hold that responsibility on assigning the leadership.

Councillor Mashiya stated that the initial question addressed the ideal functioning of the Audit Committee. He enquired the Speaker to provide their opinion on whether they think, as the office, that the specific Committee had been functioning well. He stated that the Committee had recognised that the Chairperson of the Audit Committee had resigned, and that the Council had completed that financial year with a provisional arrangement. He enquire that could there had been any official communication about obstacles or issues to the Speaker concerning the Committee's ability to fulfil their mandate effectively. He enquired if there were any constraints one might mention on operation under a temporary Chairperson of the Audit Committee.

In response thereto, the Speaker observed that the disseminated responses have been complex. In this case, he stated that the evaluation of the Audit Committee report revealed several issues. He indicated that the Council operated independently but relied on the City Manager or the Executive Mayor's office for their administration, meetings, and various activities, as their administrative tasks occur in different locations. He explained that in the Council directly received reports from the Audit Chairperson and the Audit Committees chosen by it. Consequently, he stated that the Council would determine, according to the Chairperson's reports to the Council, if they were operating as expected. He advocated for the MPAC's Chairperson to allow that as it involved not just his office but also the office of the Executive Mayor and the City Managers included in that agreement.

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The City Manager stated that the position of the Chairperson of the Audit Committee had been advertised including two positions. He was confident that that would enhance the work capacity of the Audit Committee. In addition, he mentioned that the Annual Report was presented to the Audit Committee along with the Financial Statements prior to being submitted to the Auditor-General for review, serving as part of the assurance process that the submitted documents adhere to specific quality standards. He believed that the Council should evaluate whether the Audit Committee's responsibilities become overwhelming if they simultaneously review financial and performance data. He mentioned that in other municipalities, particularly Metropolitans, there was often a separate performance committee in addition to the Audit Committee, allowing for more focused scrutiny of performance information than was currently the case. He believed that they might need to convince the Council to think about creating additional Committees.

Councillor Walton enquired whether the views and insights of the Audit Committee matched those of the Auditor-General. He noted that if the answer was yes and that the Audit Committee was operating properly. He claimed that the conflicts within the Audit Committee would always be present and highlighted that it operated like a Legislative Committee. He stated that the Council had no option but to create an Audit Committee as required by law, and all parties needed to comply with it.

Councillor Siboyana noted that the existence of repeated Audit Findings frequently indicated poor oversight. She enquired if the Speaker perceived those repeated findings as a shortcoming of the executive to carry out corrective actions or as a shortcoming of the Audit Committee and Internal Audit in effectively overseeing those actions. She further asked how could they tell the difference between the two.

In response thereto, the Speaker noted that there existing a data that showed the Executive Mayor, Audit Committee, Mayoral Committee, and the Senior Management were doing everything possible to change the qualified audit status. Moreover, he stated that all impacted members within the Council understood that quarterly progress reports were presented to the Council as part of a collaborative effort by the Executive Mayor, Audit Committee, and the Management to improve the current situation.

Councillor Majeke noted that the Speaker's recent remarks suggested that all affected members associated with the Council were also updated on the quarterly progress reports. She mentioned that the meeting was open to the public and that the public was unable to access all that information, as they were missing minutes on the website; furthermore, the municipal website lacked any Council agendas where that information could be found. She inquired whether she could ask for a written response from the Speaker, since they were missing that information. She inquired whether the Speaker and the City Manager should verify that all required information, as stipulated by law, was made available on the BCMM website. She remarked that if no community

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members are able to attend Council meetings, then there is no functioning Council and no administration. She pointed out whether they could agree in this meeting that beginning tomorrow, or at some agreed time, all essential information would be accessible on the BCMM website, or would it again breach the law.

The Speaker concurred with suggestion made by Councillor Majeke. However, he stated that they would need to come to an agreement on that, as she insisted of the written submission. He stated that he preferred not to discuss that at the moment but believed that the Chief Whip, himself, the City Manager, and his General Manager: Speaker's Office would certainly formulate a response.

Councillor Jaxa mentioned that, in light of Councillor Majeke's recent inquiry and the Speaker's reply, the Committee should remember that the Council is presently engaged, following the Committee's regulations, in facilitating Council meetings on virtual platforms. He noted that as Councillors, they were on that journey and felt it should be acknowledged on that platform that the Council was truly making efforts to ensure the public was properly invited and participated appropriately in our council meetings.

The Speaker stated they would submit written responses to MPA. He mentioned that the Rules Committee was currently addressing the issue. He indicated that they need to remain conscious that individuals were paying attention, and that the information they convey should be as comprehensive as possible for their understanding.

Councillor Jaxa noted that they had observed that the Audit Committee performed its duties. He enquired about the specific escalation procedures available if the executive did not respond to the red flags raised by the Audit Committee periodically.

The Speaker noted that all affected members belong to the Council and were informed that quarterly reports were provided. He mentioned that it was a part of a collaborative effort involving the executive, Mayor, Audit Committee, and the Management to improve the current circumstances. He believed that it was well-known among the Council that they had embarked on the process led by the Executive Mayor since their goal was to reverse the situation, as mentioned.

Additionally, the Chief Whip pointed out that if the solution was presently unclear, they should revisit it, as the mechanisms needed resemble a strategy to tackle the issue that required attention. He believed that they would need to return and bring the response back to the Committee when needed.

The City Manager mentioned that the Speaker had adequately covered the response. He pointed out that the existing setup was for the Audit Committee to present its report quarterly, addressing any challenges they encounter in their role as the Audit Committee. However, he believe that it was not specified in the Audit Action Plan or in any agreements between the municipality and

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Council that regulate the operation of the Audit Committee. It could be a matter that they should focus on. He highlighted that the Chairperson of the Audit Committee should have the capability to escalate issues to the Speaker's Executive Mayor, based on the matters at hand, given the current setup and added that the Audit Committee routinely reports to the council every quarter.

Councillor Jaxa pointed out that it should be acknowledged that the city did receive reports from the Audit Committee, and they did arrive on time. Je stated that the report and the Chairperson's resignation did not hinder them or prevent them from carrying out their duties. He mentioned that they did receive the report but concerning the direction of the report was a different matter. He believed that the Speaker's response that they would submit was acceptable, and the Committee had identified a gap and recognizing that a disconnect exists regarding when that frustration intensifies. He mentioned that the Council found itself in the process of hiring a new chairperson and enquired if there was any guarantee that issues leading to the resignation of the previous Chairperson would be addressed, and what measures were established to avert the recurrence of the same circumstances that caused the former Chairperson to resign.

In response thereto, The Speaker asked what shall they do to avoid the circumstances that caused the Chairperson of the Audit Committee to resign. He indicated that he was quite involved in addressing the issue, as you may remember. He mentioned that it was arbitration to serve as a mediator in the Council's resolution. He mentioned that the meetings he conducted with the Chairperson followed the Council's resolution and assisted comprehend with many reasons for his resignation.

Councillor Majeke emphasized the importance of grasping the laws that mandate the council to release the documents which was under Systems Act 21 (a) and (b) that they should comply. Moreover, she noted that on page No. 77, it indicates that for the year under review, merely 39 Council resolutions were passed and implemented. She further mentioned that they had been looking into a resolutions register, along with what actions that had been taken or remain unaddressed from the City Manager's perspective.

The Speaker indicated that they had commenced quite effectively, marking the start of the term, regarding communication with the citizens. He noted that they had presented a report to the Council detailing budgets and impact, and he provided the same response. He mentioned that public participation were driven by resources and that without resources they could not drive that agenda. He then enquired the GM: Speaker's Office to give more details.

The GM: Speaker's Office stated that the Speaker and the Chief Whip of the Council provide further detailed on what the Speaker had conveying. It was indeed true that the availability of budget had indeed been a concern. He recognised that in the Financial Year: 2020/2120 a strategy was introduced to the Council specifically to address the requirement for civic education that needed to be conducted by the Office of the Speaker. He stated that remarkable

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efforts were exerted but they proved pointless eventually due to the way the institution allocated funds. He further mentioned that the IT budget were based on an existing figure, and all other activities should fit within that allocated amount for the specific financial year. Regarding the actual situation, both concerning capital expenditure and operational costs the challenge had been to incorporate that matter into the budget framework. Nonetheless, all other efforts which were undertaken were based on the available budget, which was quite limited compared to our expectations. He stated that a tracking tool was utilised for the resolutions register, and a quarterly report was submitted to the council. He pointed out that the Committee had repeatedly expressed worries regarding the register's efficiency in monitoring resolutions.

The Speaker noted that there would be a follow-up on the quarterly report, and evidence would be provided. He mentioned that the Council decided to explore the connection between public meetings and the public council. Additionally, he remarked that civic education reduced protest actions by educating the public.

Councillor Walton stated that there was a case in the Constitutional Court concerning resources, which determined that funding should not pose a problem and should be allocated to support democratic processes. He emphasised that the funding for those democratic processes was mandated by law and was non-negotiable. Additionally, he pointed out that the Constitutional Court ruled that public engagement should occur at times that were convenient for the public, rather than the council. Regarding the tracking of resolutions, he noted the absence of effective methods for monitoring resolutions within the Council to ensure implementation within designated time frames. He indicated that the current resolutions register merely contained a title and a minute number, lacking comprehensive tracking details.

**8. PUBLIC ENGAGEMENT AND RESPONSES**

A Facebook community expressed concern that public hearings were merely a "tick box exercise" lacking feedback and effective of consequences. He was concerned regarding personal attacks and the effectiveness of the hearings following changes in Committee members. Additionally, he pointed out that Municipalities required policies translated into local languages and a specific department to oversee related issues.

The speaker addressed concerns about a former Councillor using public forums for campaigning. He stated that the platform was for citizens to engage and advise, not for campaigning. He invited the Community member who was campaigning in the Facebook comments to discuss any issues in the Speaker's office.

Concerning the Tick box exercise, Councillor Jaxa noted that the committee was not discussing Section 32 of the MFMA or addressing irregular expenditure as a separate matter. He stressed that the Committee was reviewing the annual report and crafting the oversight report in accordance with Sections 126 to 129

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of the MFMA. He stated that the findings from the roadshows will be presented to the council for approval in the oversight report.

Councillor Mashiya expressed that the Committee was deliberate in its efforts and limited by the volume of tasks at hand. She highlighted that the Committee had been overseeing and tackling irregular, fruitless, and wasteful expenditure. She noted that monitoring and regulation through oversight had been continuous throughout the year across different areas. She emphasized that the Municipal Finance Management Act (MFMA) pertains to oversight, not merely identifying improper actions, but also encompasses every project, particularly significant ones. Finally, she mentioned that reports detailing the activities completed, even beyond the annual report, had been presented to the council.

Councillor Majeke expressed that English was used because there were no translation services available. She noted that limited public access to reports undermined the credibility of the Committee's work. Additionally, she highlighted that insufficient information access for the public was a significant concern. She stated that reports regarding irregular, fruitless, and wasteful expenditures ought to be available on the municipal website for public access, emphasizing that providing essential information is vital for the effectiveness of hearings.

The City Manager informed that the municipality was working on addressing the weaknesses identified in the audit through specific action plans. He noted that the various directorates have analysed the underlying causes of these issues and have set timelines for their completion. Additionally, he stated that both the Internal Audit and the National Treasury are in the process of verifying these action plans. He concluded by highlighting that the improvements involve enhancing internal controls, data collection, verification, monitoring, and ensuring accountability.

Councillor Jaxa inquired how the Mayor, the Council, and the public could rely on the Municipality's Annual Performance Report to make decisions regarding service delivery, given the acknowledgment that the foundational data is incomplete and has not been verified.

The City Manager responded that the City's Governance and Internal Audit Unit conducts independent evaluations of the reported performance. He added that the Audit Committee offers additional assurance and has held dedicated meetings for the purpose of performance monitoring and validation since February 2026. He explained that these meetings facilitate a thorough assessment of shortcomings and the progress of solutions.

Councillor Walton expressed that the response received was similar to those from the past five years, suggesting insufficient advancement. He pointed out the necessity for clarification on whether all areas were encompassed in the reporting, as the municipality functions as a single entity. He asserted that the

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directorates should not delegate the responsibility for data accuracy to another unit, as this responsibility rests with the directorate itself.

NOTED

**[NOTE: At this stage the meeting adjourned for tea break, the time being 11:35 a.m. and reconvened at 11:42 a.m.]**

9. PUBLIC PARTICIPATION: THE CITY MANAGER

Councillor Jaxa inquired about the coordination and control mechanisms between the directorates and the Performance Management System (PMS) Unit. He highlighted that the inquiry concerned any organizational or procedural adjustments necessary to empower the PMS unit with the authority and collaboration needed to uphold data quality standards.

The city manager responded that his office was taking steps to supervise departments as a unified entity, tackling the issue of a silo mentality. He emphasized that the goal was for departments to function together cohesively instead of separately as individual entities.

The City Manager indicated that the user departments hold primary responsibility while the Internal Audit offers additional assurance. He noted that previously, the office did not have the capability to enforce the submission of quality information. He pointed out that the quality assurance certificates verified that information provided by departments had adhered to standard operating procedures. The introduction of SOPs is intended to manage the process and provide guidance to departments regarding information submission. These procedures are being enhanced to clarify roles, responsibilities, and accountability across all directorates.

Furthermore, the City Manager emphasised the need to formalise responsibility concerning submitted information. He also mentioned that coordination mechanisms are being implemented through the establishment of a Performance Management Committee. Additionally, he suggested that this effort would tackle data quality issues and offer guidance on reporting standards. He remarked that responsibilities related to data quality are being included in the performance agreements of Senior Managers. Finally, he stated that all Heads of Departments would be required to sign a declaration affirming the accuracy of the reported performance information.

Councillor Jaxa inquired how the Mayor, the Council, and the public could place confidence in the Municipality's Annual Performance Report for decision-making regarding service delivery, given that the foundational data is recognized as incomplete and unverified.

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The City Manager assured that steps would be implemented to enhance the development of indicators and targets to guarantee they are explicitly defined, measurable, and verifiable. He noted that this would involve aligning indicators with SMART criteria and enhancing documentation practices.

Councillor Mashiya pointed out that the Auditor-General's report highlighted discrepancies from standard Supply Chain Management (SCM) procedures, noting that competitive bids were approved even when it was feasible for management to adhere to standard practices. She requested clarification on why specific bids bypassed normal SCM procedures and asked for examples of instances where deviations were permitted.

The City Manager explained that the city adhered to the legislative procurement process and SCM regulations, indicating that deviations occurred only when necessary and permissible under the regulations, taking into account business continuity and the need to prevent service interruptions.

The City Manager noted that there were two deviations over the past twelve months. He mentioned the acquisition of animals for the East London Zoo, which was classified as special procurement under SCM regulation 3614, dated October 22, 2025. Additionally, he referenced the emergency procurement of private security for the Mndantsane and King Williamstown facilities during a SAMWU strike, classified as an emergency under SCM Regulation 361A. He emphasized that the municipality endeavoured to choose the most cost-effective options, despite the deviations, and engaged in negotiations with service providers for emergency supplies.

Councillor Majeke expressed that there was confusion, as the examples presented in the Annual Report pertained to the Financial Year 2025/2026 rather than to the year currently under review, which concludes on June 30, 2025. She inquired whether there were any deviations from the standard SCM processes for the year under consideration, noting that deviations had occurred even when competitive bidding was feasible, thus highlighting weaknesses in internal controls and SCM procedures.

The City Manager responded that the question regarding the past twelve months was subject to different interpretations, which included the indicated deviations. He clarified that the initial response stemmed from a misunderstanding. He also pointed out that the Auditor-General's report highlighted deviations during the review period. The municipality found itself at odds with the Auditor-General concerning the interpretation of certain regulations. He provided an example regarding the deviation tied to the termination of the Evergreen contract and the cancellation of panel contracts that were ongoing despite being considered irregular by the Auditor-General. He indicated that the municipality faced a challenging situation, as terminating contracts could interrupt services, while continuing them would lead to irregularity. He mentioned that legal counsel had recommended a short-term deviation to maintain valid contracts through standard procurement processes.

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Councillor Walton emphasized the need for a comprehensive business case regarding the deviations rather than merely reviewing the contracts, questioning the necessity of these deviations. He noted that while the committee is not opposed to deviations under specific conditions, valid reasoning must be provided. He pointed out that the total of the deviations reached R642 million, which did not imply an actual loss of funds, but rather indicated a failure in the process. Additionally, he referred to the Evergreen contracts, which consist of bid construction contracts as reflected in the annual financial statements. He clarified that these contracts represent a minor sum, approximately R13 million for the Financial Year 2024/2025. He asserted that eliminating these contracts would not resolve the issue of expenditure due to their insignificant financial impact. Furthermore, he highlighted the need to address the R461 million in procurement that occurred outside of Supply Chain Management (SCM) regulations.

The Speaker acknowledged the municipality's efforts to resolve irregular panel contracts, stating that they have the option to either terminate or continue with these contracts. He noted that advice had been received indicating that the municipality is not in a position to maintain contracts which the Auditor-General has identified as irregular. He mentioned that National Treasury plans to discuss with the Auditor-General the potential penalties for the municipality's use of deviations to regularize these irregular contracts. While the irregular expenditure associated with Evergreen contracts is minor, the municipality is dedicated to terminating them.

Councillor Majeke stated that contracts were awarded to bidders who were not registered with the CIDB, which resulted in delays and issues related to quality.

The City Manager mentioned that the Bid Committee was tasked with ensuring compliance with CIDB requirements. The Management would look into the actions of officials who neglected their responsibilities, which caused project delays and possible financial repercussions. He noted that a report was requested from the City Manager regarding the two business cases for the current fiscal year. He also indicated that Management would assess how the lack of CIDB grading and compliance influenced irregular spending.

Councillor Majeke expressed that the failure in procurement led to financial losses, thereby diminishing funds allocated for service delivery. She requested an analysis of the estimated financial impact stemming from the contracts that were not compliant. Additionally, she requested information on the number of service delivery projects that were adversely affected by these non-compliant contracts.

The City Manager confirmed that he would provide details regarding deviations for the current fiscal year. He indicated that an investigation would take place to assess financial losses, gather quantified data, and determine the number of affected service delivery projects, with a report to be submitted to the council.

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Councillor Walton mentioned that the findings pertained to a contract involving a bidder who had entered into an agreement. He noted that there was some ambiguity regarding whether the agreement constituted a joint venture (JV). He clarified that if it was indeed a JV, the contract was with the JV itself, rather than with the individual parties involved, emphasizing that a JV is recognized as a separate contracting entity. He inquired whether the JV held the necessary CIDB grading, asserting that, if it did not, the contract would be deemed irregular. He sought clarification from the CIDB board regarding the constitution and grading of JVs.

In response thereto, the City Manager explained that when the municipality submits its financial statements, it is required to disclose all known irregular expenditures. He stated that the Council becomes informed of such irregularities through the final report of the Auditor-General. The Auditor-General evaluates the disclosed information and determinations are made regarding its treatment. He further noted that the JV is considered a legal entity and must meet all tender requirements, including maintaining its own bank account and registration. Additionally, he mentioned that one partner of the JV had depended on another partner's CIDB registration, which had not been identified during the bid evaluation process.

Councillor Majeke inquired whether steps were taken to expedite the submission of Section 71 and Section 52D reports to the Council. She indicated that this was intended to facilitate the MPAC's investigation of irregular expenditures while the details were still recent, expressing a desire to prevent the handling of outdated cases in the future.

The City Manager confirmed a commitment to addressing irregular expenditures promptly, in contrast to prior practices. He noted that discussions had centred around the lack of implementation of the Audit Action Plan and irregular expenditures. He observed that the Committee had raised the same question repeatedly over the years, and it was imperative to determine what measures would be taken differently to ensure the successful implementation of the Audit Action Plan. He mentioned that management convened weekly on Mondays to monitor the progress of implementing the audit action plan, highlighting a deadline by which all issues identified by the Auditor-General from the previous year were to be resolved by the end of March. He indicated that subsequent to management's resolutions, the Internal Audit would assess whether the root causes had been adequately addressed, noting that a total of 182 findings had been recorded in the National Treasury portal.

Moreover, the City Manager indicated that the municipality was grouping findings to identify root causes, as he believed that resolving these underlying issues would address numerous findings. He remarked that both the National Treasury and Provincial Treasury were providing assistance. There would be a mutual agreement among the municipality, National Treasury, and the Auditor-General regarding the treatment of findings, which the municipality would then rectify accordingly. He stated that the Auditor-General would evaluate the

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corrections prior to the submission of financial statements, with preliminary assessments commencing on 1 April 2026.

Councillor Mashia stated that the Auditor-General had pointed out that cases of irregular expenditure were not being examined to identify those responsible. She inquired about the reasons for this oversight and what actions the Institution was planning to take in response.

The City Manager noted that reports regarding irregular expenditure had been submitted to the disciplinary board for investigation. He further explained that the municipality had opted to address contracts within the specified time frame concurrently with current instances of irregular expenditure.

Councillor Kalani remarked that the lack of alignment between the Standard Operating Procedures (SOPs) and Circular 88 constituted a significant technical mistake. He questioned the specific timeline set by Management for reviewing, correcting, and reissuing all SOPs related to performance information to ensure full compliance with Circular 88 of the Municipal Finance Management Act (MFMA).

The City Manager announced that a service provider had been chosen to review all Standard Operating Procedures (SOPs), descriptions of technical indicators, and business processes, with the expectation that the project will be completed by 30 June 2026.

Councillor Siboyana enquired about the reliability of reported achievements and the quality of decision-making across all levels of government. She further questioned how the Council could ensure that the budget allocation for the Financial Year: 2024/2025 identified the correct priorities. Additionally, she sought information on immediate measures to address systemic weaknesses in the performance plan to guarantee that the annual budget is not merely based on historical data.

The City Manager responded that unreliable data compromises the credibility of reported achievements and decision-making processes. He acknowledged that deficiencies in performance data management could adversely impact planning, monitoring, and the alignment of the Integrated Development Plan (IDP) with the budget. He noted that while certain performance indicators raised concerns about data reliability, the overall budget framework for 2024/2025 was formulated through numerous control and verification measures. He elaborated that these measures included departmental planning reviews, oversight by Senior Management, and scrutiny from advisory and committee structures.

Furthermore, the City Manager indicated that community consultation sessions and service delivery priorities defined in the IDP play a crucial role in resource allocation. He emphasized that auditors have underlined the necessity to bolster internal systems to ensure that performance reporting is substantiated by credible and reliable evidence. He explained that corrective actions involve

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enhancing internal controls over data collection and verification, standardizing the definitions of performance indicators and reporting templates, and strengthening the role of internal audit and the performance management unit in conducting regular assessments of data quality.

10. PUBLIC ENGAGEMENTS/RESPONSES

A community member queried whether the monitoring and evaluation the City Manager's office was functioning effectively. If so, what key highlights could be confirmed in relation to qualified audit outcomes. Conversely, if not, what consequences were in place for management.

The Chairperson clarified that the City Manager's office lacked the capacity to undertake monitoring and evaluation tasks. He mentioned that a governance unit has been established, tasked with overseeing the monitoring and evaluation of the implementation of Council decisions, as well as ensuring the quality of information submitted to relevant structures.

The City Manager explained that priority areas for consequence management include training programs for employees where gaps in skills have been recognized, as well as issuing warnings to staff. He asserted that disciplinary actions regarding employee misconduct are deliberate, and that the municipality should recover costs following appropriate due process.

The Chairperson expressed gratitude to the Speaker, Chief Whip, and officials who were present and effectively addressed the inquiries raised. He noted that for any questions that could not be answered, the department should provide a written response to the Committee. He also remarked that it was time for lunch and indicated that following the lunch break, the Committee would discuss Infrastructure Services.

**[NOTE: At this stage the meeting adjourned for tea break, the time being 2: 05p.m a.m. and reconvened at 3:10 p.m.]**

11. PUBLIC PARTICIPATION: INFRUSTRUCTURE SERVICE  
ELECTRICITY

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The Chairperson extended a warm welcome to the Department of Infrastructure Services to the meeting and addressed a misunderstanding regarding their departure at the last engagement. He clarified that in the prior meeting, the Committee focused on Infrastructure: Water and Sanitation, and since the Infrastructure Services had -not received questions concerning that area, the Department of Electricity and the Department of Roads were excused rather than dismissed.

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The Portfolio Head: Infrastructure stated that his team departed upon his directive, as their presence was unnecessary, and they were to attend a Budget Steering meeting. He subsequently introduced his team.

The Chairperson requested that the Department of Infrastructure: Electricity deliver their report prior to any questions directed at them.

\*\*\* **[the Department of Electricity report was presented, a copy is attached hereto for easy reference.]**

Regarding the presentation, the Chairperson indicated that he had never seen a department disagree to such a degree with the Auditor-General. He emphasised that his comments were not limited to BCMM but applied to Government at the National level as well. He explained that the audit process was not a single event; rather, it was an extended procedure that involved ongoing communication between the department and the Auditor-General's office concerning information verification, the absence of information, and related issues. Furthermore, he noted the existence of a Management Letter, indicating that the process was approaching its conclusion. However, he pointed out that upon reviewing the report, considerable disagreement concerning UI could be observed. Lastly, he requested that the department identify which official was responsible for that matter.

Councillor Mashiya noted that during the conversation about an unusual expenditure of R23.5 million arising from a finding by the Auditor General that they dispute; it was generally unsuitable to tackle an expense previously regarded as irregular. She suggested that they might have implemented specific actions in reaction. She enquired about engaging with the Auditor General to resolve the issue, intending to modify the reported amount instead of letting it be classified as irregular expenditure in the annual financial statements. She stated that if they held a different view, implying they were incorrect, the report would then be given to the council, requiring MPAC to look into what they thought was an ongoing problem. Furthermore, she inquired about the steps the Management had implemented during that process and even following the Auditor General's findings to engage with and address that disagreement if it should be considered a dispute.

Furthermore, Councillor Mashiya inquired about who is accountable for ensuring that, throughout an extended duration of being in the institution, the Ag does not conclude their process and ultimately state, this is our findings based solely on limited information, whose responsibility is it. Is it the AG's duty to seek out information, or is it the management's role, overseen by the city manager, to guarantee that the AG receives all the accurate information.

Councillor Walton requested clarification concerning retention. Regarding the performance guarantee, he believed that the guarantee was intended to ensure the timely completion of a project. Typically, it would apply to a type of contract related to construction work, such as building a road or similar projects, which would require a significant amount of time and financial investment.

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Councillor Majeke sought clarification on several matters. She stated that they had requested a comprehensive timeline outlining each decision made concerning the project, starting from the identification of the need to the signing of the contract, along with the names of all officials involved at each stage. She emphasised that the information was necessary following the declaration of irregular expenditure. However, she noted that the response received indicated that due to the complex nature and extended duration of contract No. CE 337, and the fact that the Senior Project Manager was on leave, the department required additional time to prepare a detailed and virtual report on all relevant events. She stated that they had allowed sufficient time for the Management to produce the information that was needed. She emphasised that even if the Senior Project Manager were not present in the office or was currently on sick leave, there were other staff members and Managers available who could supply the necessary information.

The Portfolio Head: Infrastructure Services indicated that it was common for audits to involve both agreements and disagreements. However, the concern arose when a particular finding was escalated. In typical operational circumstances, all parties generally acknowledge certain findings, eventually leading the municipality to accept that some findings are valid. He noted that there will be instances where they do not reach a consensus.

The HoD: Electricity noted that they were discussing the issue with the AG to obtain clarity and a definite answer regarding the finding. He mentioned that the AG also had deadlines regarding when they should submit their reports. He mentioned that although they submitted the report on that matter, they had brought it up with AG and were still in discussions with them to ensure that they resolved it, by obtaining more accurate information from AG to reach an agreement. He mentioned that they were discussing regulation 44, which forbids the wards of individuals in state service, including one who was an advisor or consultant connected to Buffalo City through a different mechanism than the SCM system.

In addition, the HoD: Electricity stated that he was unclear on the source of that information, as all those contracts went through an established process and were granted according to the SCM rules, involving the BAC and with the final decision made by the BAC. He mentioned that they had not neglected it and that they were working to clarify the situation with them, ensuring that either we are convinced of our mistake or that we verify with them the finding is inaccurate. Regarding retention, he noted that it generally applied to works contracts, typically about 10% of the contract value, held for a period of 12 months to address any possible defects. In that instance, he mentioned that the contract was rate-based for particular tasks, and retention is not consistently withheld for such contracts. Additionally, he mentioned that there were guarantees related to works contracts, and as previously mentioned, in that case it was a rate-based contract, and retention was not withheld per the report on the timeline.

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Councillor Majeke asked for information on retention by the end of the business day or the next day, noting that was a critical time to review the issues at hand. She stated that the department reported that electricity network maintenance was suffering due to a lack of funding, resulting in postponed necessary maintenance. The budget for maintenance was currently at 1%, while the national norm was 8%. Additionally, she stated that the electricity losses had risen from 24% in the previous year to 32%, amounting to a loss of R831 million. Councillor Majeke requested clarification on plans to reduce electricity losses, highlighting the direct link between insufficient maintenance and increased losses. He expressed concern that if these issues continue, electricity losses could reach 50%, stressing the urgency of the situation and the need for a plan from the Institution on how to address those problems.

The Portfolio Head: Infrastructure Services mentioned the need to manage processes to decline audits. He noted a clarification on recommendations regarding the department's transition to a business unit. He indicated that the aim was for the department to operate like a business and improve efficiency by addressing issues and ensuring a reliable electricity network that offers cheaper service to the citizens of Buffalo City Metropolitan Municipality.

The HoD: Electricity noted that losses were part of a turnaround strategy from National Treasury, and a business plan was in place to address those issues. He indicated that two major problems contributing to the losses were illegal connections to the network and tampering with meters. A program was underway to check all meters, starting with known bypass meters among the over 145,000 customers. Additionally, he mentioned that the finance team conducted a low consumption report for customers using less than 500 units a month, identifying around 45 to 50 000 people on that list. They aimed to ensure those meters were not bypassed and investigate whether reduced usage was due to financial issues or solar panel installations.

The GM: Electricity discussed staffing and operational challenges within revenue protection, currently at 32% capacity. He indicated that the team focuses on removing illegal electricity connections, and there were two specialized electricians handling large power users and smart metering, contributing significantly to revenue. In the financial year 2024/2025, he stated that the team removed 259 illegal services across 11 supply areas, conducted various inspections, and identified several cases of meter tampering and self-reconnections. A forensic investigator was also working on about 80 cases, leading to the arrest of 33 suspects for infrastructure crimes, with some receiving lengthy sentences. He stated that the specialised electricians identified R45 million in large user recoveries and R28 million the following year, while another team recovered approximately R594,000 from domestic customers.

12. DEPARTMENTAL\_ENGAGEMENTS: DEPARTMENT OF FLEET  
MANAGEMENT

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Councillor Kalani asked the Management department if there was a key part of their strategy to provide the right vehicles for the department's duties. He noted the high demands for specifications and quantities to perform well and deliver the metro's goals. He indicated that the Management needed a Fleet Management plan for effective coordination and maintenance. If not, he enquired what system did Management use to service the departments.

The HoD: Fleet said their directorates have special vehicles and regularly send fleet needs and budgets to the fleet department for procurement. They must repay the budget for fleet services, which covers maintenance and purchases, as the fleet services department lacks its own budget. They are reviewing the Fleet Management Policy to include a digital management system for tracking fuel use, vehicle usage, and accidents. A draft budget for Financial Year: 2026/2025 is ready for implementing the new fleet plan, pending council approval.

Councillor Kalanin inquired about the turnaround time for repairing the broken-down fleet and the overall fleet. He highlighted the maintenance plan ensuring timely vehicle repairs when taken to workshops.

Councillor Mashiya discussed the serious problem with fleet management and its dependency on departmental budgets. She questioned if the budget constraints of the user departments were the main reason for many vehicles not being maintained or repaired. She noted that solid waste management was spending significantly on hiring vehicles, blaming fleet management for that issue. She emphasized that fleet management was critical for the municipality's core functions and poor management directly impacts service delivery. She raised a concerns about whether the problem lied with budget constraints or if fleet management itself was not performing adequately. Additionally, she questioned the effectiveness of the automated maintenance system and whether it is delivering the expected results for the public.

Councillor Majeke raised concerns about law enforcement vehicles that were purchased without maintenance plans, making them unusable. She indicated that in October 2023, BCMM bought seven high-speed vehicles for law enforcement and Traffic Services at a cost of R7 million to improve road safety and enforcement. He questioned who was responsible for procuring the fleet, whether it was the user department or the fleet department. She highlighted the need for a clear count of vehicles needed for services like solid waste and law enforcement. Additionally, she requested a comprehensive list of all fleet vehicles currently in the workshop, detailing necessary repairs and duration of service. She stated that there were concerns about potential sabotage affecting the fleet's functionality.

Councillor Kalani enquired about the Management's plan to cut down the hiring of fleet.

The Portfolio Head: Infrastructure Services discussed the turnaround time for vehicle repairs, which he said was usually about 48 hours. He highlighted a problem where a converter truck had issues, especially with changing tires

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while the department was seeking funding. He indicated that security measures had been established to address past concerns. He noted that the department had improved efficiency, ensuring vehicles did not stay idle in workshops but were used effectively. He mentioned that there was a need for departments to allocate budgets properly when submitting requests for vehicle repairs and services.

The HoD: Fleet Management stated that they would respond to the questions posed and indicated that they only received a follow-up question yesterday. She mentioned that they terminated their first contractor due to performance issues and faced questions about delays in issuing that termination. She indicated that the internal challenges arose due to the contract termination process, which involves multiple offices. She further mentioned that they terminated a second contractor for not performing well and currently have a third contractor on site for Toyana. This situation was part of their audit action plan. She indicated that the main issue they faced was the non-performance of service providers, specifically those from panel 458.

Councillor Jaxa asked about the Management letter concerning 'Gravel Roads' found on pages 35 and 36 of the Annual Report. He noted the Auditor General reported defects in the concrete pavement roads that would worsen quickly, impacting their lifespan. He raised concerns about a lack of maintenance on road infrastructure and the drainage system. He questioned why there was no oversight to address these issues, which were previously flagged by the Auditor General.

The HoD: Fleet Management indicated that the road was part of Department of Human Settlement and were the services within human settlement. She mentioned that they did not respond on that because it did not belong to them. Furthermore, she indicated that there were three departments within the BCMM that were doing roads.

Councillor Jaxa noted that the silo mentality had been mentioned in the current Annual Report as a recurring issue by the Committee. It was important to have a response from the City Manager or another representative because citizens view the municipality as one unit. There was a concern about the quality of roads not meeting certain standards. Which a response was needed on why pavement has deteriorated, who was responsible, and what measures would be taken to correct the situation and ensure housing standards.

The City Manager highlighted the need to review the organizational structure to address issues like inefficiencies and resource leakages. He stated that Engineers were currently spread across various departments, affecting the city's capacity for Department of Spatial Planning and Services, the Department of Human Settlement, and also to the Department of Roads. The discussion revolved around whether to centralize departments to handle all aspects of a project, such as Human Settlement, including electrification. He stated that centralizing could improve efficiency by ensuring that departments like spatial

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planning and roads were not separately addressing the same issues. The goal was to consolidate resources for better functionality.

Councillor Siboyana referred the meeting to page No's. 214 to 215 in the annual report under the section 'PMS Systems'. She mentioned that the department was assessing the panel contract for professional services to appoint a provider for inventory and condition assessments and to update the pavement management systems. The first question was about the effectiveness of the PMS system in identifying road deficiencies. The second question asked for the percentage of roads classified as good to fair condition and the percentage in poor condition.

In response thereto, the Head of Department for Fleet Management stated that the pavement management system was an effective tool to evaluate the infrastructure portfolio, especially for roads. She mentioned that it provided a visual assessment of the entire road network to help forecast maintenance, rehabilitation actions, and budgeting. Early signs of road failures like rutting, cracking, and aggregate loss can be identified. Currently, 40% of the surface road network is in poor to very poor condition, and 64% of raw roads are also in poor condition, requiring verification since the 2012 survey. The department was in the process of obtaining a service provider and licensing the system.

Councillor Kalani enquired about the percentage of the funds that were used for road construction and reapplication and maintenance for the financial year under review.

The Head of Department for Fleet Management stated that the total budget of R68 million for road maintenance in the 2024 financial year should be used for rehabilitation or resurfacing. She indicated that roads require different levels of repair based on their class and condition. She mentioned that the cost of maintenance increases significantly as it was delayed. She further mentioned that the document included a chart showing the link between cost and road condition. Ideally, resurfacing should occur every eight years, but funding issues prevent that. She indicated that the National Treasury recommends 8% of asset value for repairs, but the current budget is only around 2-3%.

Councillor Majeke questioned the low budgeting for electricity and roads maintenance percentages.

The HoD: Fleet Management indicated that the Fleet Department's budget was insufficient, allocated based on wards and prioritizing roads. She mentioned that the current funds were significantly lower than needed—approximately R650,000 instead of R2 million—leading to reduced maintenance capacity and road selection challenges.

Councillor Majeke raised a concern on not using of the cost model for better maintenance allocation, addressing the contentious revaluation issue.

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The City Manager indicated that it was a difficult one to respond to because it was an accounting question which required National Treasury's approval. He stated that if they were to change over as the city, they needed a sunset clause from the National Treasury.

Councillor Jaxa questioned management about SOP omissions regarding complaint handling procedures.

The HoD: Fleet Management indicated that the SOP was developed for portal repairs to support the maintenance team's physical work and enhance IT systems for reliable, user-friendly complaint management. She mentioned that the previous manual logging hindered data accuracy, but teams addressed both reported and unreported issues.

Councillor Majeke emphasized the need for a comprehensive digital strategy to ensure effective ICT governance in the Municipality.

The HoD: Fleet Management indicated that the ICT specified a temporary system and planned to install an integrated IVR system for easy department access and assisting with call centre purchases in the meantime.

The City Manager indicated that some of the questions that were raised by the Committee, he stated that they would submit written responses on them. He mentioned that his office had submitted the smart city strategy to the Council integrating it with IT to implement solutions effectively.

Councillor Jaxa mentioned that the misclassification raised questions about Management's intentions and negligence.

The HoD: Fleet Management indicated that the maintenance sheet completion affected pothole reporting. Complaints received may be addressed before being logged, leading to discrepancies. She stated that the team assessed potholes based on their evaluations and formal complaints in the system. She indicated that there was no intent to misclassify the repairs; some were unreported, influencing national treasury's assessments and our ongoing maintenance programs.

**[Note: some of the comments were inaudible]**

Councillor Majeke sought clarity from the HOD regarding unresolved pothole complaints due to inadequate SOPs for tracking. He questions liability without records, operational blindness on complaint resolution, accountability for failures, and requests a timeline for revising the SOP for citizen complaint tracking.

Portfolio Head: Infrastructure Services emphasized clear timeline and commitment against potholes.

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The HoD: Fleet Management indicated that all reported potholes were manually recorded in an Excel spreadsheet. The issue arose from cross-referencing complaints with maintenance sheets. She mentioned although repairs were often completed within 48 hours, recurring problems occur due to inadequate road networks requiring resurfacing. She stated that budget constraints hinder preventative maintenance efforts and address structural issues.

Councillor Majeke indicated that according to her understanding was that complaints about potholes were addressed within 48 hours, but heavy rain

Councillor Walton enquired that could the undo repairs caused delays in resurfacing or patching. He mentioned that unreported potholes persisted as residents give up complaining, leading to unresolved street issues like those on Buffalo Street.

13. DEPARTMENTAL ENGAGEMENTS/ RESPONSES

The Chairperson mentioned that there were listeners there at home who maybe had questions that they wanted to ask.

A Community member questioned if there was a lack of understanding of the audit process. He mentioned that the Portfolio Head: Infrastructure Services was incorrect to say that Auditor General wanted to give an adverse audit opinion.

The Portfolio Head: Infrastructure Services mentioned that he was misunderstood on the issue of adverse opinion. He mentioned that not all audit findings were disputed but only the ones they believed were incorrect while accepting others.

NOTED

14. CLOSURE

The Chairperson mentioned that the Committee was done with the Directorate of Infrastructure Services, and he thanked the Portfolio Head and his officials for participating. He further indicated that all the written submissions be submitted to MPAC with 24 hours.

**[The meeting adjourned at 18:00 p.m.]**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

AGENDA

MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE  
MEETING

21 April 2026

09:00 A.M.



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

## MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Notice is hereby given that the **Sixth (6<sup>th</sup>) Public Hearing** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026 will be held on

TUESDAY, 21 APRIL 2026

at

09:00 A.M.

venue

**MPEKWENI**

COUNCILLOR: P.M. BASOPU

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

AK

(SUBAGENDAS/2026/MPAC)

265 Oxford Street,  
EAST LONDON  
27 March 2026

**MEMBERS:** (10)

**QUORUM** (6)

Councillors:	P.M. Basopu	(Chairperson)
	M. Hlekiso	
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G. Walton	
	Vacant	
	Vacant	



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**A G E N D A for the SIXTH (6<sup>TH</sup>) Public Hearing**

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Introduction
4. Apologies.
5. Adoption of Agenda
6. Purpose of the meeting
7. Engagement with Directorates:
  - 7.1 Executive Mayor
  - 7.2 Buffalo City Metropolitan Development Agency
8. Closure



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**MINUTES of the Sixth(6<sup>th</sup>) PUBLIC  
HEARING meeting of the  
MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE of BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
held on TUESDAY, 21 APRIL 2026 at  
09:00 A.M. at MPEKWENI BEACH  
RESORT**

**PRESENT:**

Councillors:	P.M. Basopu	(Chairperson)
	P. Jaxa	
	B. Kalani	
	V. Siboyana	
	A. Majeke	
	G. Walton	
	Vacant	
	Vacant	(6)

**LEAVE OF ABSENCE**

Councillor:	M. Mashiya	(1)
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**ABSENT**

Councillor:	M. Hlekiso	(1)
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**OFFICIALS**

Executive Mayor:	(Ms. P. Faku)
Acting Financial Officer:	(Mr. S. Peter)

Chief Financial Officer:	(Mr. V. Pillay)
MMC: Finance:	(Mr. Y. Tyali)
Deputy Head: Contracts and Litigation	(Mr. A. Nkosimbini)
Program Manager: Municipal Public	(Ms. N. Nzwana)
Accounts Committee	
Committee Secretary: Municipal Public	(Ms. G. Gulwa)
Accounts Committee	
Committee Secretary: Municipal Public	
Accounts Committee	(Ms. A. Komani)
Administrative Assistant: Municipal Public	
Accounts Committee	(Ms. N. Bacela)
Intern	(Mr. S Gwana)
ICT Department	(Mr. L. Jongwana)
Media:	(Mr. M. Feni)
Communications:	(Ms. Y. Kuse)
Communications:	(Mr. X. Bengeza)

IN ATTENDANCE:

Chief Executive Officer: BCMDA	(Mr. A. Gqoboka)
Executive Manager: PPMD: BCMDA	(Dr. S. M. Mhlongo)
Executive Assistant: BCMDA	(Ms. M. Tengimfene)

1. OPENING AND WELCOME

The Chairperson welcomed the Committee members, Buffalo City Metropolitan Development Agency officials (BCMDA), support staff and the service provider present at the meeting.

NOTED2. MOMENT OF SILENCE OR MEDITATION

The Chairperson allowed a moment of silence or meditation.

NOTED3. INTRODUCTION

The Chairperson allowed all the Committee members and officials present at the session to introduce themselves, which was duly done.

NOTED

4. APOLOGIES

An apology was tendered on behalf of Councillor Mashiya. There was also an apology for the service provider for live streaming who was said to be on the way.

NOTED

5. DISCUSSIONS

The Chairperson indicated that the Executive Mayor was present at the session. He raised a concern that in the absence of the service provider for live streaming, the session could not commence, however he sought advice from the Committee members on how to proceed with the matter of the technical glitch.

**[Note: There was no recording device at the venue, and some of the discussions recorded with a cell phone were inaudible.]**

Councillor Majeke indicated that the session could not commence because there was no live streaming and since the session involved the public, the law stated that there should be live streaming. She further proposed that the session should adjourn until the service provider arrived.

Councillor Walton concurred with Councillor Majeke.

**[Note: At this stage, the time being 10:00 a.m. the meeting adjourned and commenced at 10:20 a.m.]**

The Chairperson enquired if the service provider had arrived, to which the response was no.

Councillor Jaxa suggested that since the Executive Mayor was present to appear before the Committee, why could the session not commence, and the Executive Mayor be allowed to make a presentation.

The communications department attempted to do the live streaming with a cell phone, however the attempt failed because they explained that the videos that would be taken would not appear as live recording, therefore the attempt was abandoned.

A discussion ensued between the Committee members on whether the session should proceed since the Executive Mayor was present, and it was decided that the Executive Mayor should be released.

The Chairperson apologised profusely to the Executive Mayor for the unfortunate incident of the technical glitch.

The Executive Mayor accepted the apology.

6. CLOSURE

The Chairperson thanked all the Committee members, the BCMDA officials, the service provider and the support staff for attending the session, and he then adjourned the meeting.

**(The meeting adjourned at 11:30 a.m.)**



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

AGENDA

MUNICIPAL PUBLIC  
ACCOUNTS COMMITTEE  
MEETING

24 April 2026

10:00 A.M.



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Notice is hereby given that the **Seventh (7<sup>th</sup>) Public Hearing** of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE** of Buffalo City Metropolitan Municipality for 2026 will be held on

**FRIDAY, 24 APRIL 2026**

at

**10:00 A.M.**

venue

**MDANTSANE COMMUNITY HALL N.U.12**

**COUNCILLOR: P.M. BASOPU**

**CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

AK  
(SUBAGENDA8/2026/MPAC)

265 Oxford Street,  
EAST LONDON

**MEMBERS:** (10)

**QUORUM** (6)

Councillors:	P.M. Basopu	(Chairperson)
	M. Hlekiso	
	P. Jaxa	
	B. Kalani	
	A. Majeke	
	M. Mashiya	
	V. Siboyana	
	G. Walton	
	Vacant	
	Vacant	



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

## A G E N D A for the SEVENTH (7<sup>TH</sup>) Public Hearing

1. Notice Convening the Meeting.
2. Opportunity for Silent Prayer or Meditation.
3. Introduction
4. Apologies.
5. Adoption of Agenda
6. Purpose of the meeting
7. Engagement with Directorates:
  - 7.1 Executive Mayor
  - 7.2 Buffalo City Metropolitan Development Agency
8. Closure



BUFFALO CITY

METROPOLITAN MUNICIPALITY

**MINUTES of the PUBLIC HEARING**  
 meeting of the **MUNICIPAL PUBLIC**  
**ACCOUNTS COMMITTEE** of  
**BUFFALO CITY METROPOLITAN**  
**MUNICIPALITY** held on **FRIDAY, 24**  
**April 2026** at **10:00 A.M.** held at  
**MDANTSANE COMMUNITY HALL,**  
**N.U 12**

**DAY: 7**PRESENT:

Councillors:	P. M Basopu	(Chairperson)
	P. Jaxa	
	B. Kalani	(Arrived at 10:36)
	A. Majeke	
	M. Mashiya	
	V. Siboyana	(Arrived at 10:41)
	G.K. Walton	
	Vacant	
	Vacant	(7)

ABSENT:

Councillors:	M. Hlekiso	(1)
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OFFICIALS

Acting Executive Mayor	(Mr. Y. Tyali)
Acting City Manager	(Mr. V. Pillay)
General Manager: Monitoring & Evaluation	(Mr. M. Tshalanga)
Manager: Executive Mayor's Office	(Mr. N. Mcingane)
Program Manager: Municipal Public Accounts Committee	(Ms. N. Nzwana)
Committee Secretary: Municipal Public Accounts Committee	(Ms. A. Komani)

**MPAC: PUBLIC ENGAGEMENT 24 April 2026**

Committee Secretary: Municipal Public Accounts Committee	(Ms G. Gulwa)
Personal Assistant: MPAC Chairperson	(Ms. N. Bacela)
Intern: MPAC	(Mr. S. Gwana)
Admin Assistant: MPAC	(Ms. L. Molose)
Messenger: MPAC	(Mr. S. Fama)
Office Attendant: MPAC	(Ms. Y. Kwayimani)
ICT Practitioner	(Mr. L. Jongwana)
Communication:	(Mr. X. Bengeze)
Communication:	(Ms. Y. Kuse)

**IN ATTENDANCE**

Chief Executive Officer BCMDA	(Mr. A. Gqoboka)
Chief Financial Officer BCMDA	(Mr. M. S. Mavudla)
Executive Manager BCMDA	(Mr. S.M. Mhlongo)
Executive Assistant BCMDA	(Ms. M. Tengimfene)

**1. WELCOMING**

The Chairperson welcomed the Committee members, the support team and the public and those watching on Facebook platform. He explained that there was insufficient number of Councillors to constitute a quorum and requested an extension of time as per the Council Standing Rules, to allow the meeting to quorate.

**[NOTE: At this stage the meeting adjourned, the time being 10:10 a.m. and reconvened at 10:30 a.m.]**

**2. READING OF THE NOTICE**

The Chairperson read the notice convening the meeting.

NOTED

**3. OPPORTUNITY FOR SILENT PRAYER OR MEDITATION**

The Chairperson allowed an opportunity for silent prayer or meditation.

NOTED

**MPAC: PUBLIC ENGAGEMENT 24 April 2026**4. INTRODUCTION

The Chairperson indicated that the Committee would introduce themselves, which was duly done.

NOTED

5. APOLOGIES

The Chairperson tendered an apology on behalf of the Executive Mayor and the City Manager who were both unable to attend due to other commitments.

Councillor Majeke sought clarity regarding the non-attendance of the Executive Mayor and enquired about the upcoming events.

In responding thereto, the Chairperson explained that the Executive Mayor had arranged for the Portfolio Head of Finance to represent her in that regard.

NOTED

6. PURPOSE OF THE PUBLIC HEARINGS

The Chairperson welcomed all attendees to the MPAC Public Hearing Oversight Session and noted that the meeting was convened in fulfilment of the Committee's oversight mandate in terms of the Constitution of the Republic of South Africa Act, 1996, the Local Government: Municipal Systems Act, 2000, and the Local Government: Municipal Finance Management Act, 2003. He highlighted the importance of accountability, transparency, and Public Participation in Municipal Governance and thereafter officially opened the session.

7. THE ADOPTION OF THE AGENDA

Councillor Jaxa seconded by Councillor Mashiya moved to adopt the agenda.

RESOLVED

That the agenda as circulated be ADOPTED

**MPAC: PUBLIC ENGAGEMENT 24 April 2026****8. DEPARTMENTAL ENGAGEMENT: BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY (BCMDA)**

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The Chairperson requested that the Chief Executive Officer of the BCMDA to introduce his team, which was duly done.

The Chairperson stated that the BCMDA would provide clarification solely regarding the findings they had with the Auditor-General.

Concerning the outcome related to the Auditor-General of South Africa (AGSA) issue, the Chairperson raised a question about the difficulties the agency faced with the Auditor-General.

The CEO expressed that the Auditor-General's office was a Chapter 9 institution, which was held in high regard. He noted that the Constitutional Court had ruled that the findings of Chapter 9 institutions were mandatory. He further mentioned that the disagreement between them and the Auditor-General centered on the findings related to the Water World Fun Park. Additionally, he acknowledged an agreement with the Auditor-General regarding substandard workmanship and confirmed that funds had to be recovered. He indicated that they concurred on the need for appropriate consequence management. However, he pointed out that they only disagreed on whether a Material Irregularity (MI) should be issued at that time. He elaborated that the agency had already initiated actions concerning those issues during the 2024 financial year. Moreover, he conveyed that issuing the MI seemed somewhat unnecessary since a referral had already been made to the Special Investigating Unit (SIU). He detailed that the entity itself reported the investigations to the SIU and also extended an invitation to the Hawks.

The CEO indicated that consequence management had been executed, as detailed in an attached report. He directed the meeting to page No. 96, where two employees were associated with failures in projects, including the issue related to the Water World Fun Park. He noted that a draft project management framework had been developed to enhance project oversight. He pointed out that the previous recommendations made by the Auditor-General were considered and outdated due to recent developments. Furthermore, he mentioned that the Auditor-General would assess the finalised framework in September 2026, which was currently undergoing a peer review. He confirmed that the agency had accepted the Auditor-General's recommendations for the framework and that the Special Investigating Unit will assist in recovery efforts.

The Chief Financial Officer: BCMDA cited two main reasons for the current disagreement: inaccuracies in the audit report and legal issues related to non-compliance. He indicated that the objective was to achieve precise reporting and uphold transparency while finalising a project management policy and framework. He also noted an emphasis on enhancing internal

**MPAC: PUBLIC ENGAGEMENT 24 April 2026**

controls for both Supply Chain Management and contract administration. Furthermore, he mentioned that an Audit Action Plan had already been established prior to the release of the report.

The Executive Manager: BCMDA noted that the Project Framework was currently being reviewed by multiple organisations which played a crucial role in enforcing controls. He emphasised that the agency had fostered a strong partnership with the Auditor-General and recognises the value of their contributions. He also pointed out that the dispute resolution process was not exclusive to BCMDA, as similar situations were occurring in other provinces.

The CEO affirmed that the agency was consistently enhancing its stability at the management level. He pointed out that the agency had also obtained an Unqualified Audit Report, which served as a strong foundation for establishing a resilient organisation. He was confident that the agency was capable of fulfilling its mandate. He noted that they had facilitated investments exceeding R4 billion and signed a significant lease that had been registered with the deed's office for a R4.6 billion development.

The Chairperson noted that the Committee appreciated the report and hoped that other organisations would adopt a similar reporting approach. He mentioned that the audit findings were unqualified, which was commendable. He expressed satisfaction that the agency and the Auditor-General had reached a mutual understanding. He stated that contesting a dispute with the Auditor-General was within the agency's legal rights.

Councillor Jaxa emphasised that the Committee required explicit plans detailing how the agency intended to address its internal deficiencies. He did not regard concerns about attribution and tenure as legitimate grounds for disagreement with the Auditor-General.

Councillor Majeke references a newly revised BCMDA Annual Report and enquired whether the public could access it, as it qualified as a public document. She mentioned that the Committee only received the revised report on Tuesday, 20 April 2026. She observes that the updated report appeared to be an improvement over the previous version. Moreover, Councillor Majeke raised a concern regarding Performance Outcome 3, which focused on creating vibrant and attractive local spaces. She noted that the outcome achieved a 0% success rate due to the absence of budget allocation. She indicated that the non-compliance related to the Water World Fun Park project had likely caused significant financial losses, and that the entity was currently assessing the complete extent of those losses. She questioned the relationship between the situation and the actions taken regarding fruitless and wasteful expenditure, raising the point that a report on fruitless and wasteful expenditure was approved by the BCMDA Board and had also been presented to the Municipal Public

**MPAC: PUBLIC ENGAGEMENT 24 April 2026**

Accounts Committee (MPAC). She enquired whether that has been considered in their current Annual Report.

Additionally, she highlighted the missing information concerning the Special Investigating Unit (SIU) report and other state agencies that were reviewing the BCMDA, as well as the lack of reporting on Unauthorised, Irregular, Fruitless, and Wasteful Expenditure (UIFWE). Furthermore, she stated that there was no update on the progress regarding the site security which was appointed in April 2024 to prevent vandalism or on the Project Management Office framework established on 27 August 2025. She further indicated that the Accounting Officer intended to address the Material Irregularity by providing quarterly progress reports to both the Board and the Municipal Council. She noted that those reports should also be shared with the Committee quarterly; however, that had not occurred consistently. She mentioned that the actions outlined by the Accounting Officer did not specify clear roles, responsibilities, or timelines for implementation. Furthermore, she stated that there were concerns regarding whether any advancements had been made on the Material Irregularity, particularly in terms of established timelines and responsibilities since the Auditor-General's audit.

Councillor Walton indicated that a contractor had claimed R30 million, which was dealt with in a dispute measurement mediation process; however, a notice of dissatisfaction was issued. He stated that the validity of the claim remained unclear. He further mentioned that a consultant submitted a claim for R1.5 million in fees, but payment was not made since the amount exceeded the contract value. He stated that it was necessary to confirm whether the work was completed and if the payment was due.

The Chief Financial Officer mentioned that the Auditor-General and the agency concurred with the comments regarding attribution and tenure and some adjustments. He stated that the Auditor-General mentioned that they acquired important knowledge during that experience. He further mentioned that there was an audit action plan that outlined the findings, corrective measures, and responses. He stated that a formal written document could be submitted together with the detailed plan. Furthermore, he mentioned that the midterm Annual Financial Statements were created following a two-year interval and were now in the process of being internally audited. He indicated that actions were established to improve Supply Chain Management, reevaluate the policy, and validated the verification of assurances. He mentioned that Terms of Reference had been set for Bid Committees, which were currently being overseen with increased care.

Moreover, the CFO pointed out that a Public Participation and Development Management enhancement plan existed along with continuous improvement plans for each unit, designed to guarantee accountability and tackle issues identified by the Auditor-General. He

**MPAC: PUBLIC ENGAGEMENT 24 April 2026**

stated that each of those actions had been carried out. He noted that the Annual Report had been finished to some degree, pending feedback from the Municipal Public Accounts Committee (MPAC). The report would be released after revisions and input from MPAC and that an error might have occurred in the order of the report's release.

Councillor Walton inquired about content contingencies related to Water World, where the projected cost had changed from R30 million to an undecided amount. He stated that a contingent liability represents uncertainty, with previous reports indicating a R30 million claim that had now been reduced to R400,000 due to legal advice. He further mentioned that the disclosure explained the dispute process, and a project management framework was being put in place for all project stages. He indicated that strategies for enhancing internal controls and stakeholder engagement were being developed. He noted that a Centre of Excellence was being sought for specialised support, and a project management office had been established. He further stated that the security was maintained at Water World Fun Park until construction begins and historical fruitless and wasteful expenditure of R49 million had been noted but not accounted for in the current financial year. He indicated there had been a progress on the audit report of the Auditor-General which was due by 30 June 2025.

The CEO claimed that when he took control of an office, he was responsible for recovering losses in care, as required by law, not for the losses themselves. He emphasised taking action now rather than blaming others, stating the need to align resources with funds to prevent payment issues. He mentioned that the measures against wasteful expenditure were addressed, and security was established. He indicated that the agency was ready to proceed with the Water World Fun Park project once funds were available. He further stated that a structured reporting calendar was needed for timely document provision. He acknowledged that the Auditor-General recommendations, and improvements in internal controls were ongoing, aiming for an annual audit report by 30 November 2026.

Councillor Majeke enquired about costs to complete the Water World Fun Park project and if past lessons had been learned.

The CEO indicated that the projected expense for completion was R44 million. He noted that a project charter had been created to facilitate implementation and to guarantee a professional and economical method.

9. **PUBLIC ENGAGEMENTS AND RESPONSES**

A member of the community indicated that a grant application was submitted to BCMDA in 2017, and he required an update on its status as well as a definitive timeline for its completion.

## MPAC: PUBLIC ENGAGEMENT 24 April 2026

Additionally, another community member raised a concern about a bridge that needed to be constructed in ward 12; however, they did not specify the exact location for that bridge.

Furthermore, a community member from ward 48 highlighted the issue of insufficient water supply and requested that the municipality arrange for water trucks to deliver water to the communities. He also enquired about the advantages of the Water World Fun Park project while the community continued to face water scarcity.

The CEO noted all the comments that were made by the community members.

The Chairperson expressed gratitude to the CEO and his officials who were present and effectively addressed the questions raised. He stated that the following engagement would be with the Executive Mayor.

### NOTED

#### 10. DEPARTMENTAL ENGAGEMENT: EXECUTIVE MAYOR

The Chairperson welcomed the Acting Executive Mayor who served as a Portfolio Head and requested that he introduce his team, which was duly done.

Councillor Jaxa clarified to the public that the absence of the Executive Mayor and City Manager at the MPAC Public Hearing in Mdantsane did not mean there was no representation from her office. He noted that the Executive Mayor was invited to the hearing at Mpekwani, which she attended. The session was not continued due to technical difficulties, as it was intended to facilitate live public engagement. He further mentioned that responses from the Executive Mayor were submitted to assist in advancing the process. He also expressed a concern about remarks from the Auditor-General regarding ongoing underperformance within the BCMM.

In response thereto, the Acting Executive Mayor stated that they would investigate the concerns regarding non-performance which was highlighted by the Auditor-General. He noted that, as Senior Managers of the Institution, they would review all reports from the City Manager's office. Additionally, he mentioned they would address the issue of non-performance throughout the Institution, starting with the Top Management, to eliminate the culture of non-performance. Lastly, he indicated that the reports regarding non-performance would be discussed in Council so that the Council could reach a resolution on those issues. He then required the Acting City Manager to elaborate more.

The Acting City Manager expressed that the Buffalo City Metropolitan Municipality has established a Performance Management System aimed at enhancing employee productivity. He mentioned that the system had

**MPAC: PUBLIC ENGAGEMENT 24 April 2026**

presently been implemented for employees at levels one to thirteen (1-13), with intentions to extend its reach further down the hierarchy. He noted that the system would assist in evaluating performance across the municipality and addressing issues of non-performance, with the Management diligently overseeing reports generated by the system. He indicated that the system was inaugurated in 2025, and training sessions were conducted for officials by the Directorate of Corporate Services to ensure their understanding and effective use of the system.

Councillor Mashiya remarked that when the Acting Executive Mayor responds to her questions, he ought to introduce the gentlemen who arrived later. She stressed that the Executive Mayor should be responsible for the city's performance and transparency. She enquired what the Acting Mayor was conveying to the community regarding his individual responsibilities and what strategies he intended to implement to resolve the concerns which were identified by the Auditor-General regarding the lack of performance.

The Acting Executive Mayor introduced a Performance Manager: Monitoring and Evaluation, along with the Office Manager, both of whom have been appointed within the Executive Mayor's office. He highlighted that the Chief Operating Officer (COO) had previously acted as the Chief Financial Officer (ACFO) and was now focused entirely on promoting good governance and consequence management for the benefit of the city. He emphasised their commitment as Senior Management and mentioned that reports showcasing those dedication had been submitted to the Council, which regularly sets aside time to review those reports.

Councillor Majeke conveyed her dissatisfaction with the non-attendance of the actual Executive Mayor, noting that only an Acting Mayor and an Acting City Manager were in attendance. She highlighted the persistent issues that had been raised by the Municipal Public Accounts Committee (MPAC) and indicated that Councillors were concluding their term amidst stagnation in the municipality. She referred to an intervention started by the Department of Cooperative Governance and Traditional Affairs (CoGTA) in August 2025 due to previous financial challenges, linking management effectiveness to the standard of service delivery. Upon her arrival at the venue for the MPAC Public Hearing, she observed the deteriorating condition of the roads and the neglect of community facilities. She enquired about the location of the report that was meant to be presented to the Council, which detailed the findings from the Department of CoGTA and from the Deputy Minister of CoGTA. She noted that, as members of the Council, they had not received that report which outlined the responses to the findings shared with the Results Management Office (RMO) and CoGTA. She emphasised that the report should indicate their commitment to transforming the Institution to ensure effective performance implementation and consequence management.

The Acting Executive Mayor acknowledged the remarks made by Councillor Majeke and expressed his intention to relay some of those

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comments to the appropriate departments. He highlighted the significance of Section 154, which was implemented as an intervention following a risk analysis carried out throughout the city. He noted that the analysis identified the needs and deficiencies within local Institutions. He pointed out that a proposal presented to the Council was rejected; however, an alternative approach would be to pursue Section 154 intervention. Furthermore, he mentioned that the Mayor's Office, the Department of CoGTA, and the Minister of CoGTA aimed to enhance the Institution by promoting greater participation. He gave clarity that the intervention was voluntary and initiated due to recognised risks and the financial condition of the city, rather than being enforced as a punitive action.

Councillor Siboyana highlighted that the community members had experienced frustration due to delays caused by officials regarding service delivery. She enquired about the name of a Senior Manager or an official who had faced consequence management in previous years for not fulfilling their responsibilities. Additionally, she requested clarification on the criteria for ensuring that an official or a Senior Manager underwent consequence management while providing services to the people of the BCMM.

The Acting Executive Mayor indicated that several officials and Senior Managers were underwent disciplinary actions, some linked to service delivery concerns. He noted that those instances were confidential, and names could not be disclosed until they were resolved by the Council. He emphasised the commitment to ensure ongoing service delivery for the city's residents and mentioned that those hindering service delivery would face consequences. He affirmed that the Executive Mayor's office was diligently addressing those issues.

Councillor Walton's question to the Acting Executive Mayor arose from the Management report issued by the Auditor-General, which identified R46 million in unauthorized expenditure, referenced on page No. 1105 of the Annual Report. He emphasised that a considerable portion of that amount resulted from depreciation and asset authorization, questioning how that situation arose as it substantially impacted the municipality. He highlighted that the municipality confronted an annual deficit of R996 billion in accumulated services and sought clarity on who was accountable and what strategies were to be implemented to prevent such occurrences in the Financial Year: 2025/2026.

The Acting Executive Mayor clarified that unauthorized expenditure arose from two non-cash items rather than depreciation and resulted from adjustments, not transactions. He noted that no specific official was identified as responsible for wrongdoing and requested the Acting City Manager to provide further clarity as he was an ACFO when the issue occurred.

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The Acting City Manager announced that in March, a trial budget would be presented to the Council, focusing on two subjects: depreciation and impairment. He emphasised that the BCMM was one of only two municipalities in the country that conducted an annual valuation of its assets, which amount to approximately R14 billion. He mentioned that adjustments were made toward the end of the budget year during its preparation. He clarified that expenditures surpassed the budget due to capitalised Work In Progress (WIP). Furthermore, he stated that the financial entries would occur in April and May, aiding in the elimination of the Convolutional Neural Networks (CNN) process regarding general interest, thereby minimising unauthorized expenditure. He highlighted that their financial system prevented closing entries if the budget was exceeding; however, the Authority Office had the capability to access the system to resolve those issues and facilitate system development.

Councillor Majeke reiterated an earlier question regarding the RMO report that had not received a response. She enquired why the report did not reach the Council with the necessary recommendations for action. She expressed that those concerns were issues that the Council should address by seeking intervention under Section 134 of CoGTA, even in the absence of proposals. She posed questions about whether a consolidated report from the RMO had been submitted to the Council, and if not, when it might be expected. Additionally, she noted that the Auditor-General's report highlighted significant problems related to the municipality's liquidity and its capability to operate as a continuing entity due to outstanding payments owed to service providers. She queried the Acting Executive Mayor and the Acting City Manager regarding their strategy for stabilising cash flow to ensure timely payments to creditors, restore confidence among service providers, businesses, and the public, and to prevent disruptions in service delivery.

The Acting Executive Mayor stated that there was a continuing process with the RMO, which was refining the terms of reference while collaborating with both political leaders and the administration. He emphasised that the Institution's financial situation had strengthened and that the cost ratio had also shown improvement. He pointed out the necessity of tackling payments to creditors and declared his intention to make sure that relevant reports were submitted to the Standing Committee. Following that, he requested the Acting City Manager to provide insights on those matters.

The Acting Executive Mayor noted that in recent years, the rate of financial collections improved significantly from about 53% in 2023 to nearly 71% by March 2026, which had positively influenced the capability of collectors to receive payments. He mentioned that the local government's current ratio stood at 1.78 to one, demonstrating its capacity to fulfil its obligations and liabilities. He pointed out that both the cash ratio and cost coverage had also risen, with an aim to achieve a 92.5% coverage rate as previously experienced. He highlighted that unemployment was a

**MPAC: PUBLIC ENGAGEMENT 24 April 2026**

challenge for the community, which had led the city to implement weekly payments to creditors to enhance cash flow. He also stated that the invoicing process would be incorporated into the financial system, requiring service providers to upload invoices to prevent payment delays resulting from issues such as incorrect bank information.

Councillor Kalani enquired about the exact strategy regarding the imperative and write off, as well as their target for the conclusion of the current financial year under review.

The Acting Executive Mayor announced that the Thethanani Program was being put into action in the city to enhance communication with residents. He stated that the program utilised community boards and Council offices to assist citizens in reviewing and resolving any issues related to their accounts, with the aim of managing revenue loss. He also expressed concern regarding the inconsistencies in the revenue system within BCMM, pointing out that the program intended to clean up data and ensure satisfaction for all stakeholders involved. He highlighted that the General Government needed to be aware of the debts owed to the municipality by both residents and businesses. He stressed that the municipality was committed to addressing illegal connections and analyse indigent cases to eliminate debts whenever appropriate. Additionally, he mentioned that support packages were available for individuals who were employed, pensioners, and unemployed individuals.

Councillor Majeke raised a concern regarding an issue that was noted by the Auditor-General during the audit process. She pointed out that the emphasis appeared to be on managing audits instead of resolving the identified problems. She requested for a response concerning that issue. She mentioned that the RMO's contract with the BCMM would conclude in April 2026 and enquired whether the Mayoral Committee had engaged with the RMO to discuss the issues raised, which ought to be communicated to both the Council and the public. She emphasized that the public had a right to be informed about those matters, particularly given that the RMO was financed by taxpayer's money. Furthermore, she highlighted the importance of the public and the Committee to understand the information received by the BCMM from the Deputy Minister and the MEC of the Department of CoGTA. She noted that the contract between the RMO and the BCMM was established to be effective from August 2025 to April 2026, indicating insufficient communication regarding the situation. She sought clarity, emphasising that when a need was identified, it was essential to return to the decision-making body to confirm the issues and the proposed solutions that had been approved.

In responding thereto, the Acting Executive Mayor indicated that they adhered to a proper procedure during their discussions with the RMO, as authorized by the Executive Mayor. He shared that they had reviewed the RMO's performance and its impact with the Executive Mayor of the Free State Province. It was imperative to conduct a needs analysis to identify

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risks and to work collaboratively with the municipality on the new budget, emphasising a plan for improvement that involved both political and administrative leadership, highlighting the importance of detecting weaknesses. He noted that a report would be submitted to the Council and learned that a contract had been extended. Furthermore, he pointed out the necessity of addressing tensions among employees and ensuring that responsibilities were clearly defined moving forward.

The Acting City Manager added that the process of addressing findings from the Auditor-General (AG) was supported by both an Internal Audit Unit and a Governance Unit. He stated that those units tackled various findings through action plans that span short, medium, and long terms. He mentioned that a continuous collaboration with the audit team aided in identifying and monitoring weaknesses in internal controls. He further stated that the audit action plan was accessible on a BCMM portal for both the Provincial and National governments to follow progress and was updated regularly. In February, he stated that issues between an official and the AG were resolved, which enhanced engagement with the audit team. A steering committee was dedicated to addressing findings, and collaboration with other department leaders was crucial for the successful execution of the Audit Action Plan and for improving control efficiency.

Councillor Jaxa verified that the Audit Action Plan could be accessed on the BCMM portal. He pointed out that the results of the interventions specified in Section 154 of the South African Constitution had not been evaluated, referencing the findings from the Minister of CoGTA. He noted on the Auditor-General's concerns regarding the excessive use on consultants, which involved expenditures of millions without enhancing the skills of the municipality staff. He raised a question about why BCMM opted for outside consultants rather than investing in the development of its own skilled personnel.

The Acting Executive Mayor concurred with Councillor Jaxa's observations and acknowledged the shortcomings highlighted by the Auditor-General concerning the hiring of consultants. He noted deficiencies in skills within the Institution and stressed the necessity of finding and transferring those skills to enhance administrative effectiveness. He acknowledged that they had not sufficiently identified the necessary skills and clarified that they were utilising a standardized template to ensure no negligence occurred regarding the lack of essential skills. Furthermore, he emphasised the significance of identifying those skills to reduce reliance on consultants while acquiring the necessary expertise. He concluded by stating that comprehending the skills gap was crucial for effectively supporting one another within the organisation.

Councillor Jaxa indicated that the weaknesses in administration which was identified by the office of the Executive Mayor were acknowledged. He stated that the situation highlighted that the Accounting Officer's had shortcomings in relation to the issue. He requested that the Acting

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Executive Mayor to direct the Acting City Manager in creating a plan within the next thirty (30) days for MPAC arose from that meeting. He urged the Executive Mayor to ensure that the plan was made available to the public, enabling the residents to understand precisely how and what actions the BCMM was undertaking, while promoting resilience in light of costly consultations.

In responding thereto, the Acting Executive Mayor assured that a comprehensive report would be presented through the Mayoral Committee and subsequently to the Council, prior to its public release. He highlighted the necessity of adhering to internal procedures to prevent complications with MPAC. He proposed that, if agreed upon, the report could be addressed at the upcoming Ordinary Council meeting.

Councillor Mashiya expressed that all residents of BCMM were upset about the deterioration of infrastructure, which adversely affected the economy. She requested that the Acting Executive Mayor address the specific capital expenditure allocated for the repairs and maintenance of the infrastructure. She enquired about the Institution's strategy regarding economic recovery, emphasising that the infrastructure issue should not be overlooked.

The Acting Executive Mayor acknowledged that Councillor Mashiya brought up concerns that had also been addressed during the IDP's road shows. He admitted that although the BCMM had a strategy for addressing the deteriorating infrastructure, considerable effort still remained and the advancements in certain wards were inadequate. He noted that the Council had made the decision to establish trading services for water and sanitation, which enabled the National Treasury to allocate funding for projects. In the financial adjustment of February 2026, he indicated that an amount of R130 million was designated for the development of water infrastructure. He reported that the water project in Nompumelelo, which amounted to R35 million, had been completed and was ready for transfer, pending pressure tests on the pipes. Furthermore, he mentioned that a multi-million-rand project, which provided water from Mount Coke to Needs Camp, had been completed and would supply water to rural reservoirs of Ward 33, Ward 32, and Ward 31.

Furthermore, the Acting Executive Mayor indicated that the Buffalo City Metropolitan Municipality (BCMM) received bulk water from Amatola Water, which presented its own difficulties. He stated that BCMM had established a Memorandum of Understanding (MoU) with Amatola Water to explore alternative water sources and to set up mini stations for water pumping to the city. He mentioned that the Mzonyana Water Plant was currently the sole supplier of water for East London and was operating at its full capacity. He indicated that plans were underway to expand that facility in order to assist both Mdantsane and East London during water shortages associated with Amatola Water. In addition, he stated that a new plant was essential in Kei Road to supply water for King Williams

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Town, and funding was currently being awaited. He urged that the residents with unauthorized water connections were required to remove them as part of development planning.

With regards to sanitation, the Acting Executive Mayor stated that challenges existed in Mzamomhle, Scenary Park, and eZiphunzane, which were associated with an ongoing court case regarding sewer tunnel operations. He mentioned that an allocation of R50 million had been designated for the Zwelitsha Wastewater Treatment Plant (WWTP) to enhance the local economy. He added that previous projects had experienced delays; however, there was a strong commitment to enhance service delivery. Adding thereto, he mentioned that various road issues, including a bridge between N. U 11 and N. U 12 in Mdantsane, remained unresolved pending an Environmental Impact Assessment (EIA) and water compliance. He stated that the presence of potholes had been linked to unauthorized car washes, and that the Department of Local Economic Development (LED) collaborated with car wash owners to identify a suitable location for their operations. With regards to the Valazonke Project, intended for pothole repairs, they had encountered obstacles due to the age of the roads. He indicated that a proposal would be submitted to the Council to modify road budgeting. Lastly, he stated that all projects initiated by Executive Mayor Princess Faku had been successfully completed.

Councillor Siboyana expressed that residents in the Institution were desperately seeking better service delivery. She enquired about the significant changes that would occur in BCMM over the next twelve months to address the negative perception regarding the community's access to services.

The Acting Executive Mayor noted that employees at BCMM were experiencing challenges and that they had observed a lack of diligence among Senior Management. He mentioned that the leadership had resolved to perform job evaluations for employees and ensured that they receive their allowances. He mentioned that it was essential to take into account the needs of workers to enable them to perform their responsibilities effectively. He encouraged the public to oversee government properties and to report any improper use of municipal vehicles. He indicated that residents were also urged to notify authorities about employees who were unproductive at work or exhibit inappropriate behaviour in the rental office. He added that if an individual demonstrates laziness, they should be replaced considering the high unemployment rate in BCMM. He stated that the Management was dedicated to addressing requests made through the IDP, as funding was available. Additionally, he indicated that projects would be launched to support youth facing drug challenges and that the Office of the Executive Mayor provided scholarships for their education.

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The Chairperson indicated that they anticipated a specific performance from the Institution's Executive, noting that the Committee was present to pose questions. However, it was his belief that they were providing the Executive Mayor with an opportunity to showcase his actions effectively. He remarked on the Executive Mayor's demeanour and approach, expressing a desire for those qualities to be reflected in other Portfolio Heads. He cautioned that the media could be perilous, as they often report inaccurately, focusing more on negative aspects than on positive ones. Furthermore, he pointed out that the leadership had not succeeded in fostering secondary leadership. He also recognised all the Ward Councillors who participated in the Public Engagements. He subsequently stated that he would permit the public and viewers on Facebook to pose questions to the Acting Executive Mayor.

### 11. PUBLIC ENGAGEMENTS AND RESPONSES

A resident of Ward 30 expressed that ongoing work in her area was commendable and she commended her Ward Councillor for being attentive to the needs of his constituents. She urged the residents of the Buffalo City Metropolitan Municipality (BCMM) to pay their rates to enable the Institution to provide effective service delivery.

In addition, another resident expressed gratitude towards his Ward Councillor for consistently supporting his community.

Moreover, another community member suggested an installation of speed humps on his street to prevent pedestrians from being struck by vehicles.

A viewer on Facebook noted that the unemployment rate was alarmingly high, and the current efforts to address those issues were insufficient. He highlighted that the BCMM possesses significant sporting talent that should be developed, asserting that issues such as alcohol abuse, crime, teenage pregnancy, and other social problems could be alleviated by prioritizing sports development and utilising it as a means to generate employment. He remarked that the proposals submitted had not received adequate attention.

Another Facebook viewer expressed appreciation for the Committee's commitment to the development of the BCMM.

The Chairperson stated that the event was a success and that the atmosphere was satisfactory. He noted that the session was the last for the year, as it occurs every year. He then requested the Acting Executive Mayor to share his concluding remarks.

The Acting Executive Mayor acknowledged the remarks made by the community members. He stated that the BCMM audit would be revised due to their dedication to implementing improvements. He stated that they

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were devoted to ensuring the provision of potable water through BCMM and would rectify any improperly constructed houses. Additionally, he stated that they would focus on sports and youth development initiatives. He expressed gratitude to MPAC for allowing them to address the issues that were negatively impacting BCMM and assured that they would strive for greater progress than previously achieved.

NOTED

12.

CLOSURE

The Chairperson expressed gratitude to the Committee members for their collaboration in completing the Oversight Report. He further extended his appreciation to the public for participating and the MPAC support staff for ensuring that the engagement proceeded smoothly.

**[The meeting adjourned at 14:30 p.m.]**



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**

**Municipal Public Accounts Committee  
February 2026**

**Accountability Ecosystem**

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		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report Pages 68-74 and 656-665	Political Governance and Annexure A and B	<ul style="list-style-type: none"> <li>o Committees of council</li> </ul>	<ul style="list-style-type: none"> <li>o The Committee observed that the constitution of committees in Chapter 2 is not consistent with the composition of committees reflected in Appendix A of the Annual Report.</li> </ul>	<ul style="list-style-type: none"> <li>o The template requires that each committee of council and their functions should be mentioned in the report, why is only committees mentioned and not their functions in this chapter?                             <ul style="list-style-type: none"> <li>o Why are the names of all councillors and their political party and representation not included under this heading?</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>o Could the Speaker please clarify the exact composition of the committees as they currently stand, and explain the discrepancy between the formal constitution detailed in Chapter 2 and the committees listed in Appendix A of the Annual Report?                             <ul style="list-style-type: none"> <li>o Which document reflects the legally/constitutionally accurate state of our committees today? Is Appendix A an administrative error, or does it represent recent changes that have not yet been formally codified in Chapter 2?</li> </ul> </li> </ul>	<p>The Speaker of Council acknowledges the discrepancy identified between the narrative provided in Chapter Two (02) and its supporting Annexures (Appendix A and B).</p> <p>The Speaker of Council also appreciates the non-compliance with reporting standards as required by the Municipal Finance Management Act, Circular 63 of 2012.</p> <p>Having studied the Annual Report (AR) against Circular 63, the Council should strengthen oversight capacity on the AR due to major discrepancies that talk to lack of quality assurance by all Heads of Directorates.</p> <p>The AR framework is clearly stipulating the logic of reporting standards. To illustrate the point, Councillors and Committee Members for Section 79 and Section 80 committees should be reflected in Chapter 2 under Councillors</p>

<p>(T 2.1.2), hence the discrepancy, because the migration should happen from Chapter 2 to Appendix A and B as its supporting documentation, providing detail on committee allocation and attendance. (Please refer to the Annual Report template attached)</p> <p>It has been noted also that the Metropolitan Geographical Names Committee (MGNC) was erroneously omitted, which has been corrected.</p> <p>Additionally, the Mayoral Committee belongs to T2.1.1 not T2.1.2.</p> <p>The detailed analysis has been done mainly to illustrate a critical importance of the extensive review of the Annual Report under review (2024/2025 Financial Year). Therefore, the MPAC should accept that the challenges are not political but administrative.</p> <p>Certainly, Chapter 02 as it is written in the current form reflects the legally accurate state of committees, which is based on the report that was tabled by the Whip of Council on the proposed list of the reconfigured African National Congress Council Members.</p> <p>Therefore, the Speaker of Council shall submit proposed corrections to fix substantial errors in the AR (Please find corrected Annexure A and B attached for ease of reference).</p> <p>Owing to a better understanding on the expectation when compiling the report, the Speaker of Council will ensure that future ARs are totally compliant with Circular 63, to minimize future findings.</p>						
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Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Speaker Annual Report Pages 68-74 and 656-665	Political Governance and Annexure A and B	<ul style="list-style-type: none"> <li>o Committees of council</li> </ul>	<ul style="list-style-type: none"> <li>o The Committee observed that the constitution of committees in Chapter 2 is not consistent with the composition of committees reflected in Appendix A of the Annual Report.</li> </ul>	<ul style="list-style-type: none"> <li>o The template requires that each committee of council and their functions should be mentioned in the report, why is only committees mentioned and not their functions in this chapter? o Why are the names of all councillors and their political party and representation not included under this heading?</li> </ul>	<ul style="list-style-type: none"> <li>• Was the Annual Report based on an older version of the committee structure that has since been updated in Chapter 2, or was Chapter 2 intended to be the governing document that the Annual Report should have followed?</li> <li>• To resolve this inconsistency, will the Speaker be moving to immediately amend Chapter 2 to reflect the committees in Appendix A, or will they be directing officers to correct Appendix A to match the formally constituted committees? What is the timeline for this correction?</li> <li>• This inconsistency suggests a breakdown in communication between the council's administrative functions. What specific measures will the Speaker implement to ensure that future Annual Reports are accurate and consistent with the formal records of the council (like Chapter 2)?</li> <li>• Will the Speaker commit to a full review of our record-keeping processes to ensure that the formal constitution of committees and their public reporting are always synchronized?</li> </ul>	<p>Please be advised that the above response speaks to the process that will be undertaken by the Speaker of Council to address all Questions/Interventions/Recommendations.</p>

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		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report Pages 68-74 and 656-665	Political Governance and Annexure A and B	<ul style="list-style-type: none"> <li>Committees of council</li> </ul>	<ul style="list-style-type: none"> <li>The Committee observed that the constitution of committees in Chapter 2 is not consistent with the composition of committees reflected in Appendix A of the Annual Report.</li> </ul>	<ul style="list-style-type: none"> <li>The template requires that each committee of council and their functions should be mentioned in the report, why is only committees mentioned and not their functions in this chapter?                             <ul style="list-style-type: none"> <li>Why are the names of all councillors and their political party and representation not included under this heading?</li> </ul> </li> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>If the committees listed in Appendix A are the ones that have been actively working and making decisions, but they were not formally constituted as per Chapter 2, does this call into question the legitimacy of any decisions or recommendations those committees have made this year?</li> </ul>	<p>Please be advised that the above response speaks to the process that will be undertaken by the Speaker of Council to address all Questions/Interventions/Recommendations</p>
Day 1- Stakeholder Presentation	Oversight Committees	<ul style="list-style-type: none"> <li>None</li> </ul>	<p>Functionality of the Audit Committee</p> <ul style="list-style-type: none"> <li>Concerns were raised regarding the absence of the Audit Committee Chairperson during the session. It was noted that:                             <ul style="list-style-type: none"> <li>The Audit Committee normally presents its independent perspective on the Annual Report and audit outcomes.</li> <li>The Chairperson of the Audit Committee had resigned during the financial year.</li> <li>The current Chairperson is acting in a temporary capacity.</li> <li>There may have been communication breakdowns regarding meeting invitations, which affected the availability of the AC Chairperson.</li> <li>Members expressed concern that instability within the Audit Committee space may</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Does the Audit Committee itself believe it is operating optimally?</li> <li>Have they formally communicated any specific obstacles or concerns to the Speaker regarding their ability to execute their mandate effectively during this period of transition?</li> <li>Given that the current Chairperson is serving only in a temporary capacity, what specific legal or procedural authority do they have to present an 'independent' opinion on the annual report?</li> <li>Does their temporary status limit their ability to challenge the executive in the same way a permanently appointed Chairperson would?</li> <li>Regarding the communication breakdowns affecting meeting invitations, who is specifically responsible for issuing these invitations to the Audit Committee?</li> <li>What protocol will be put in place immediately to ensure</li> </ul>	<p>Does the Audit Committee itself believe it is operating optimally?</p> <p>Certainly, the Speaker cannot be in a position to provide a definite answer. However, the Evaluation of the Audit Committee report raised several issues of great significance in relation to operations and relations with institutional management.</p> <p>Have they formally communicated any specific obstacles or concerns to the Speaker regarding their ability to execute their mandate effectively during this period of transition?</p> <p>Yes, the engagements between the Speaker and Audit Committee Chairperson commenced after a resolution of the Council to mediate between the Audit Committee and Management.</p> <p>Given that the current Chairperson is serving only in a temporary capacity, what specific legal or procedural authority do they have to present an</p>	

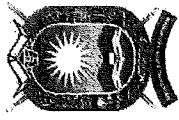
			<p>weaken governance oversight. Additionally, Members questioned</p> <ul style="list-style-type: none"><li>o Whether the Audit Committee's observations and recommendations are adequately followed through.</li></ul>		<p>that the Acting Chairperson—and any future permanent appointee—is guaranteed timely access to all relevant sessions and documentation?</p>	<p>'independent' opinion on the annual report?</p> <p>Interdependency is a prerequisite in the field of professionals, in particular a registered Chartered Accountant (CA).</p> <p>Additionally, the MFMA Municipal Audit Committee Toolkit as a fundamental guide is clear on the composition of the committee, together with the maintenance of professional and ethical standards by members.</p> <p>Does their temporary status limit their ability to challenge the executive in the same way a permanently appointed Chairperson would?</p> <p>Please note that the answer provided above also applies in this question.</p> <p>Regarding the communication breakdowns affecting meeting invitations, who is specifically responsible for issuing these invitations to the Audit Committee?</p> <p>The MPAC is fully aware that all Political Executives are not allowed to interfere with administrative process. and therefore, the question is rather unfair.</p> <p>What protocol will be put in place immediately to ensure that the Acting Chairperson—and any future permanent appointee—is guaranteed timely access to all relevant sessions and documentation?</p>
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Page Reference	Section	Issue	2023/2024	2024/2025	2023/2024	Questions/Interventions/ Recommendations	2024/2025	Management Response
Speaker							471	
Day Stakeholder Presentation	Oversight Committees	None	None	<ul style="list-style-type: none"> <li>o Whether findings reflect ineffective monitoring.</li> <li>o Whether internal audit and Audit Committee structures are operating optimally</li> </ul>	None	<ul style="list-style-type: none"> <li>• The Council has noted that instability in the Audit Committee could weaken governance oversight. What specific steps are being taken to fast-track the permanent recruitment of a new Audit Committee Chairperson to stabilize this critical oversight function?</li> <li>• Members questioned whether the Audit Committee's recommendations are adequately followed through. Can the Speaker provide a specific example of a major recommendation made by the Audit Committee in the last year, and detail the executive's progress—or lack thereof—in implementing it?</li> <li>• The presence of recurring audit findings is often a red flag for ineffective monitoring. Does the Speaker view these recurring findings as a failure of the executive to implement corrective measures, or as a failure of the Audit Committee and Internal Audit to monitor those implementations effectively? How do we distinguish between the two?</li> </ul>	<p>Please note that the answer provided above also applies in this question.</p> <p>The Council has noted that instability in the Audit Committee could weaken governance oversight. What specific steps are being taken to fast-track the permanent recruitment of a new Audit Committee Chairperson to stabilize this critical oversight function?</p> <p>The Accounting Officer under the guidance of the Executive Mayor are seized with the process.</p> <p>Members questioned whether the Audit Committee's recommendations are adequately followed through. Can the Speaker provide a specific example of a major recommendation made by the Audit Committee in the last year, and detail the executive's progress—or lack thereof—in implementing it?</p> <p>A repeated Material Irregularity (MI) that has been raised by the Auditor General (AG) is the poor management of municipal assets. Acknowledging the repeat finding, the Audit Committee (following its presentation to the Council), organised a joint meeting between the AG and BCMM Management to trash out differing professional opinions. Owing to continuous engagements, the "finding" is receiving maximum attention from the Accounting Officer. It is for this reason that the Speaker of Council has full confidence that 2025/2026 Audit Report shall be better than previous years.</p> <p>The presence of recurring audit findings is often a red flag for ineffective monitoring. Does the Speaker view these recurring findings</p>	

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Day Stakeholder Presentation	Oversight Committees	None	<ul style="list-style-type: none"> <li>o Whether findings reflect ineffective monitoring.</li> <li>o Whether internal audit and Audit Committee structures are operating optimally</li> </ul>	None	<ul style="list-style-type: none"> <li>o</li> </ul>	<p>as a failure of the executive to implement corrective measures, or as a failure of the Audit Committee and Internal Audit to monitor those implementations effectively? How do we distinguish between the two?</p> <p>The available data currently indicates that the Executive Mayor, Audit Committee, Mayoral Committee and Senior Management are making all efforts to reverse a qualified audit status.</p> <p>In addition, all MPAC members as part of the Council are aware that quarterly progress reports are tabled to the Council as part of a joint effort of the Executive Mayor, Audit Committee and Management to turnaround the prevailing situation.</p>

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Speaker			o		<ul style="list-style-type: none"> <li>When the Audit Committee flags a recurring issue, what specific escalation mechanism exists if the executive fails to address it? Does the temporary Chairperson have the confidence and the backing to utilize that mechanism if necessary?</li> <li>Regarding whether the Internal Audit and Audit Committee structures are operating optimally:</li> <li>Are there any current resource constraints—whether budgetary, staffing, or access to information—that are preventing the Internal Audit unit from performing its work without interference or delay?</li> </ul>	<p>When the Audit Committee flags a recurring issue, what specific escalation mechanism exists if the executive fails to address it? Does the temporary Chairperson have the confidence and the backing to utilize that mechanism if necessary?</p> <p>All MPAC members as part of the Council are aware that quarterly progress reports are tabled to the Council as part of a joint effort of the Executive Mayor, Audit Committee and Management to turnaround the prevailing situation.</p> <p>Regarding whether the Internal Audit and Audit Committee structures are operating optimally: Are there any current resource constraints—whether budgetary, staffing, or access to information—that are preventing the Internal Audit unit from performing its work without interference or delay?</p> <p>Recent reports that were tabled to the Council demonstrate an activist driven approach of the Audit Committee.</p> <p>Appreciating national fiscus constraints and BCMM stagnant revenue collection, it is clear that budgetary constraints may be an issue, however the Accounting Officer would be in a better position to elaborate further.</p> <p>Given the resignation of the previous Chairperson during the</p>

						<p>year and the subsequent communication breakdowns, what assurance can the Speaker give this council that there is a healthy and respectful working relationship between the current executive management and the temporary Audit Committee leadership</p> <p>The AC and IA are populated by highly qualified and experienced persons who are fully aware about the expectations of the Metropolitan Municipality. It is therefore within this context that Political Executives and the Council expect the necessary decorum and greater level of professionalism.</p>



BUFFALO CITY  
METROPOLITAN MUNICIPALITY

**Municipal Public Accounts Committee  
February 2026**

**Accountability Ecosystem**

Page Reference	Section	Issue			Management Response
		2023/2024	2024/2025	2023/2024 2024/2025	
Executive Mayor					
On Leadership, Culture, and "The Tone at the Top"					

<p>Annual Report- Pages 1-19</p>	<p>Summary</p>	<p>None</p>	<p>On Accountability of the Accounting Officer</p>	<p>None</p>	<p> <ul style="list-style-type: none"> <li>The Accounting Officer (City Manager) is your primary appointee and the head of administration.</li> <li>Given the report's finding that a "culture of non-performance is tolerated" by them, what specific performance management steps have you taken or will you take against the City Manager to hold them accountable for this failure?</li> <li>Do you still have full confidence in their ability to lead the administration?</li> </ul> </p>	<p>COGTA has introduced regulations that governs employee performance management across the country. BCM is in the process of institutionalising employee performance management system. BCM has acquired the Performance management system that ensures that every quarter, a report is developed.</p> <p>By Annually, Heads of Directorates are required to evaluate the performance of employees.</p> <p>Address the lack of performance management culture and buy-in of Performance Management System by Senior Management Team through:</p> <ul style="list-style-type: none"> <li>Workshops conducted to capacitate both political and administrative arm from Aug 2025 ongoing</li> <li>Establishment of Performance Management Committee.</li> <li>By ensuring that all Oversight Committees plays their role</li> </ul>	<p>As the Executive Mayor I am on record amplifying our commitment to implement performance management and consequence management at all levels of the organisation.</p>
			<p>On Establishing the Right Tone</p>		<p> <ul style="list-style-type: none"> <li>You are the political head. The report states the 'tone at the top' is not established.</li> <li>What direct, personal message have you communicated, or will you communicate, to every single official in this metro to make it unequivocally clear that poor performance, waste, and a lack of transparency will no longer be tolerated?</li> <li>How will you personally monitor that this message is being implemented?</li> </ul> </p>		

				<ul style="list-style-type: none"> <li>The community feels the pain of non-performance daily.</li> <li>Can you give us a specific example of a senior manager who has been sanctioned for poor performance in the last year?</li> <li>If not, why not, and what is your plan to ensure that there are real consequences for officials who fail to deliver services?</li> </ul>	<p>As indicated in the Council Meeting, the City Manager will be held accountable. We have strengthened the oversight committees to hold officials accountable and the City Manager is expected to hold Periodic Performance Reviews.</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Executive Mayor On Financial Management, Audit, and Viability (The "Going Concern" Risks)- Annual Report- Pages 1-19	Summary	None	On Unauthorised Expenditure	None	<ul style="list-style-type: none"> <li>The report highlights a staggering R646.82 million in</li> </ul>	<ul style="list-style-type: none"> <li>A special adjustment budget to authorise the unauthorised expenditure incurred in 2024/2025 financial year was tabled at a Council meeting scheduled for 29 January 2025 in line with section 28 of the Municipal Finance Management Act (MFMA) and Regulation 23(6)(b) of the Municipal Budget and Reporting Regulations (MBRR). During the current financial year (2025/2026), the municipality has not incurred any unauthorised expenditure for</li> </ul>

							<p>the period 01 July 2025 to 31 December 2025. However, the municipality has not yet processed unauthorised expenditure amounting to R643 565 756, which was incurred in the 2024/2025 financial year. This historical unauthorised expenditure was not a result of negligence or misconduct by any personnel but arose from the technical nature of the accounting treatment involved.</p> <p>The controls in place to prevent unauthorised expenditure include the following:</p> <ul style="list-style-type: none"><li>-Monthly financial reports are scrutinised to identify variances.</li><li>-Any identified shortfalls or overspending are consolidated into a comprehensive report, including corrective actions, and addressed through the adjustments budget process.</li><li>-The implementation of the Cost Containment Policy is enforced to manage and control expenditure.</li><li>-Ongoing guidance is provided to directorates on budget management, cost containment and compliance with MFMA requirements.</li></ul>
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<p>unauthorised expenditure. How did this happen on your watch?</p> <ul style="list-style-type: none"> <li>Who is personally taking responsibility for this, and what is your concrete plan to prevent a repeat of this fiscal misconduct in the next financial year?</li> </ul>	<p>On the "Going Concern" Warning</p>	<p>With regards to the liquidity ratios, the Current Ratio was at 1.78 on the 30<sup>th</sup> of June 2025 while the Acid Test Ratio was at 1.75 on the 30<sup>th</sup> of June 2025. These ratios above indicate a satisfactory current asset to current liability position at year end. The City undertook a vigorous drive to improve revenue collection, minimize electricity and water losses as a result there has been a significant improvement in the City's Liquidity ratio. The cities cash ratio is sitting at 0.43:1 (0.39 – 2023/24). The city has not achieved its projected collection rate, as a result we are not able to pay our current liabilities as they fall due. The City having acknowledged its cash position adopted a financial recovery plan in December 2023 by reducing all its contracted services by 15% in its Mid-year adjustment budget. Further initiatives through converting all trading services to be cost reflective are ongoing with the trading services reforms initiated by National Treasury. This will improve the financial health of the City through cross subsidization.</p>	<p>If customers pay their bills on time then it will automatically improve the collection rate, reduce the debt book, reduce the need for debt write off, and will reduce the debt impairment value. Credit Control action is implemented on a daily basis in the form of blocking and disconnection of electricity and other collection methods such as handover for legal collection. Where customers continue not to pay, it will result in sale in execution of property. The legal collection process is by nature a very slow process. Due to the high numbers of meter tampering and theft, debt</p>
<p>On the "Going Concern" Warning</p>	<p>On Revenue Collection</p>	<p>The report explicitly questions the Metro's ability to continue as a "going concern" due to liquidity constraints and unpaid creditors.</p> <ul style="list-style-type: none"> <li>This is a severe warning.</li> <li>What is your emergency plan to stabilize the municipality's cash flow, pay creditors within 30 days, and restore confidence with suppliers and the financial markets?</li> </ul>	<p>With high debt impairment and write-offs, the revenue base is eroding.</p> <ul style="list-style-type: none"> <li>What specific, new strategies will you implement to improve revenue collection from debtors, and what is your target for reducing the impairment rate by the end of this fiscal year?</li> </ul>

					collection action is ineffective and the debt continues to grow. There is an intention to deal with the meter tampering.
					Over and above the implementation of full credit control the City is embarking on Citizen Engagement campaign, where Revenue Team visit organised groups like Rate payers, Wards and Committees of Complex to educate citizens about billing processes and investigate and resolve long outstanding queries. Engagements are at a final stage with the Club View Residents association in ward 37, Berlin Residence, Christmas Rock, Amalinda Residents first and second meetings were held between the team and the representatives. In Gonubie area revenue team lead by GM had a first meeting with Ward Councillor and the session is planned for the 25th April 2016.

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Executive Mayor On Financial Management, Audit, and Viability (The "Going Concern" Risks)- Annual Report- Pages 1-19	Summary	None	On Audit vs. Reality	No	<ul style="list-style-type: none"> <li>There's a concerning finding that officials focus on "managing the audit process" rather than fixing the underlying problems.</li> </ul>	<p>The City's Audit Action Plan includes all findings from the AGSA, including internal control recommendations as well as those items that are not considered material by the auditors, i.e. Management does not only concentrate on items that are for inclusion in the Audit Report, but all internal control deficiencies, no matter how immaterial. Additionally, the Governance</p>

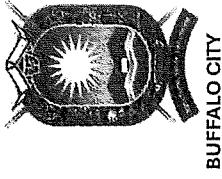
						and Internal Auditing unit undertakes quarterly follow ups on all the internal control recommendations they have issued as the internal assurance provider. This is further evidence of Management's commitment to overall governance improvement and not only management of the external audit opinion.
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						<ul style="list-style-type: none"> <li>How will you shift the administration's focus from simply ticking boxes for the Auditor-General to fundamentally fixing the broken financial and performance systems that the audit is designed to expose?</li> </ul> <p>In addition to the above considerations, the City Manager's office has conceptualised the introduction of the Municipal Governance, Quality Assurance and Oversight Unit. The objectives of this Unit, as approved by Council include specifically: this Unit is to serve as a dedicated internal control, governance and oversight mechanism. Budget has been made available for resourcing this Unit, with the General Manager position filled from 1 March 2026.</p>
On Consultants, Skills, and Service Delivery Annual Report- Pages 1-19	Summary	None	On the Indiscriminate Use of Consultants	No		<ul style="list-style-type: none"> <li>The report states no proper needs analysis was done before appointing consultants.</li> <li>Why was this fundamental step skipped, and who authorized these appointments? What criteria will you now use to determine when a consultant is absolutely necessary versus when the work should be done by permanent, skilled staff?</li> </ul> <p>I believe the City should strongly consider a Consultancy Management Strategy which would include principles such as a) Analysis of current consultants with quantification, qualification and time-frame as well as succession and skill-transfer consideration; Process plan on procurement considerations of new consultants including detailed needs and resource analysis by Departments – project and supplier performance management. This would need to be managed at the City Manager's office with the abovementioned being submitted prior to the issuance of an order.</p>

			On Skills Transfer and Dependency	<ul style="list-style-type: none"> <li>We are spending millions on consultants, yet the report highlights "inadequate skills transfer."</li> <li>How do you plan to ensure that every consultant contract from now on includes a legally binding and monitored skills transfer plan, so we are not perpetually dependent on external parties? What is your timeline to reduce this dependency?</li> </ul>	<p>I believe the City should strongly consider a Consultancy Management Strategy which would include principles such as:</p> <ul style="list-style-type: none"> <li>Analysis of current consultants with quantification, qualification and time-frame as well as succession and skill-transfer consideration;</li> <li>Process plan on procurement considerations of new consultants including detailed needs and resource analysis by Departments – project and supplier performance management.</li> <li>This would need to be managed at the City Manager's office with the above mentioned being submitted prior to the issuance of an order.</li> </ul>
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Page Reference	Section	Issue	2023/2024	2024/2025	2024/2025	Management Response
Executive Mayor On Consultants, Skills, and Service Delivery Annual Report- Pages 1-19	Summary	None	None	On the Consultancy Reduction Plan	<ul style="list-style-type: none"> <li>The Accounting Officer has failed to develop a formal consultancy reduction plan. Will you instruct the City Manager to produce such a plan within the next 30 days, and can you commit to making that plan public so</li> </ul>	<p>The matter will be made a stand item agenda to get quarterly progress reports to address the AG finding.</p>

		<p>residents can see exactly how and when the metro will reduce its reliance on expensive consultants?</p> <ul style="list-style-type: none"> <li>• The report points to infrastructure deterioration and the contraction of the automotive sector. This is a double blow to our economy and future.</li> <li>• What is your capital expenditure plan for the next three years to address the maintenance backlog and build new infrastructure, and how will this plan specifically support economic recovery in light of the pressures on the automotive sector?</li> </ul>	<p>The government has finalised its review of the conditional grant system and developed a range of reforms based on the results.</p> <p>These are reforms aimed at rationalising conditional grants and enhancing their effectiveness, these reforms will inform the city's Capital Expenditure plan.</p>
<p>On Infrastructure and the Real Economy</p>		<p>Madam Executive Mayor, you have heard a litany of failures.</p> <ul style="list-style-type: none"> <li>• Looking forward, what is the single most important, measurable change that the residents of this metro can expect to see in the next 12 months that will prove to them that the culture of non-performance has been broken and the ship is truly being turned around?</li> </ul>	<p>Local government is at that particular precipice where we have to adapt to rapid changes in this digital age, whilst upholding the more conservative principles of discipline, structure and reliable performance. The metro is not blind to this complexity and have adopted a multi-pronged approach, which includes in some areas going back-to-basics of enforcing staff discipline, a sharper emphasis on consequence management and a value system of integrity and accountability.</p> <p>On the flipside of the coin, we are embracing technology and its ability to aid the metro in enhancing a performance culture through stricter automated monitoring and evaluation mechanisms. Senior Management has committed at a recent Technical Planning Session to, amongst others, develop an Integrity Management Strategy, which will certainly help steer this ship around.</p>
<p>A Closing, Forward-Looking Question-Your Vision and a Promise</p>			



**METROPOLITAN MUNICIPALITY**

**Municipal Public Accounts Committee February 2026**

**Accountability Ecosystem**

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
City Manager Annual Report- Pages 1-19	Summary	None	On the Unreliability of Reported Data	None	<ul style="list-style-type: none"> <li>The audit found that reported achievements are not reliable, data sets are incomplete (with entire regions omitted), and information is unverifiable.</li> </ul>	<p>Municipality is addressing the weaknesses identified in the audit with an audit action plan crafted for each finding. Directorates have undertaken root cause analysis and assigned time frames to the sponsored actions. The sufficiency and appropriateness of the action plans has been subjected to both Internal Audit and National Treasury verification (inclusion in the NT audit action plan portal). This root cause analysis and remedial assessment includes strengthening internal controls, data collection processes, ensuring that all regions are included in reporting, implementing proper verification</p>
<p>Addressing the Deterioration in Audit Findings and Performance Reporting</p> <p>Context: The audit outcomes show a marginal improvement in error rates (from 50% to 26% after adjustment), but the underlying systems are still broken. The core issue is that reported achievements are unreliable, unverifiable, and based on flawed data.</p>						

Page Reference	Section	Issue	Questions/Interventions/Recommendations		Management Response
			2023/2024	2024/2025	
					mechanisms, monitoring and evaluation procedures and establishing clear accountability for
					performance data management and reporting.
		On Coordination Failures		<ul style="list-style-type: none"> <li>How can the Mayor, Council, and the public trust the Municipality's Annual Performance Report to make decisions about service delivery when the foundational data is acknowledged to be incomplete and unverified?</li> </ul>	<p>The City's Governance and Internal Auditing Unit continues to provide independent objective assessment of the Portfolio of Evidence provided for reported quarterly performance. This assessment includes monitoring of improvement in reporting and enhancement of sufficiency of accompanying supporting documents. Council is appraised of the outcomes in this regard through the Audit Committee's quarterly oversight report.</p> <p>- Additionally, the Audit Committee (a further independent assurance structure) has restructured its functioning, at the approval of Council, to dedicate separate meetings for the monitoring of performance and the validation of performance information. I.e. as from February 2026</p> <p>Performance Achievement and Performance Reporting matters are discussed in Council approved quarterly Special Performance Audit Committee meetings to allow more granular assessment of deficiencies and closer tracking of remedial resolutions.</p> <p>To address this, several structural and procedural improvements are being implemented.</p> <p>Firstly, the SOP is being strengthened to clearly define roles, responsibilities, and accountability for performance information across all directorates.</p>
				<ul style="list-style-type: none"> <li>The findings specifically point to "inadequate coordination and assurance controls between directorates and the PMS unit."</li> <li>As the Accounting Officer, what specific structural or procedural changes are you implementing to ensure that the PMS unit has the authority and</li> </ul>	

Page Reference	Section	Issue	Questions/Interventions/ Recommendations		Management Response
			2023/2024	2024/2025	
				<p>cooperation from all directorates to enforce data quality</p> <ul style="list-style-type: none"> <li>standards before it is reported?</li> </ul>	<p>This includes formalising the responsibility directorates to review, verify data sets reported before submission.</p>
				<ul style="list-style-type: none"> <li></li> </ul>	<p>Also, coordination mechanisms are being reinforced through the establishment of a performance management committee that will only deal with performance management related matters. This forum will address data quality issues, provide guidance on reporting standards, and ensure consistent application of performance management practices.</p> <p>Accountability measures will be strengthened by integrating data quality responsibilities into Senior Manager's performance agreements and enforcing compliance with reporting protocols. All HODs will sign the declarations to confirm the accuracy of the performance information reported.</p> <p>These measures are intended to enhance cooperation, strengthen oversight, and ensure that all reported performance information meets the required standards of accuracy, reliability, and verifiability before being submitted for external reporting.</p>
		On Defining Performance		<ul style="list-style-type: none"> <li>It was found that indicators and targets were not well-defined, measurable, or verifiable.</li> <li>Can you provide a concrete example of a poorly defined target from the prior year, explain the specific steps you have taken to redefine it for the current year in line with Circular 88, and how you will verify its</li> <li>achievement going forward?</li> </ul>	<p>Measures will be taken to strengthen the formulation of indicators and targets to ensure they are clearly defined, measurable, and verifiable. This will include aligning indicators with SMART principles, improving documentation standards, and providing guidance and training to responsible staff to enhance consistency and accountability in future reporting.</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
City Manager Procurement Irregularities and Financial Losses						
Context: The findings describe a blatant disregard for procurement regulations (SCM), leading to financial losses, poor contractor performance, and a massive build-up of uninvestigated irregular expenditure. Annual Report- Pages 1-19	Summary None	On Deviations and Competition None	The report notes that deviations from competitive bids were approved even when it was not impractical to call for bids.	- The City endeavours at all times to utilise the legislated procurement processes, with specific consideration for the Supply Chain Management regulations. Deviation from normal process is undertaken only where necessitated and allowable in terms of the mentioned regulations, with consideration for business continuity and to avoid service delivery disruptions. Two approved deviations to be selected as approved in the last 12 months: <ul style="list-style-type: none"> <li>- 22-Oct-25: Request for approval to deviate from the procurement processes for the purchasing of animals for the East London Zoo - Procurement of animals for the BCMM Zoo being special procurement under SCM Regulation 36(1)(iv).</li> <li>- 03-Oct-25: Request for approval for emergency deviation: Procurement of private security guards for safekeeping of municipal buildings and installations: East London, Mdantsane and King Williams Town - Appointment of private security guards for the municipal buildings and staff during SAMWU strike being an</li> </ul>		
				Please explain the business case or rationale for at least two specific contracts where deviations were approved in the last 12 months. <ul style="list-style-type: none"> <li>Why was open competition avoided, and what assurance can you give that the prices paid represent market-related value for money?</li> </ul>		

							emergency under SCM Regulation 36(1)(a).
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Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			On Contractor Capacity and CIDB Compliance		<ul style="list-style-type: none"> <li>Contracts were awarded to bidders not registered with the CIDB and based on incorrect evaluation criteria, leading to delayed projects and quality issues.</li> <li>Who is responsible for verifying contractor compliance before a contract is awarded, and what disciplinary action will be taken against the officials who failed in this duty, leading to project delays and potential financial losses?</li> </ul>	<ol style="list-style-type: none"> <li>The finding relates to one contract where a bidder had an agreement with another bidder who had the required CIDB grading and such is not allowed by CIDB.</li> <li>The Bid committee is responsible for verifying the CIDB requirements.</li> <li>Management investigations will be undertaken for any reported irregularity for determination of accountability and consequence management.</li> </ol>
			On the Impact of Irregular Expenditure		<ul style="list-style-type: none"> <li>The report explicitly states that these procurement failures cause "financial losses which reduce funds for service delivery."</li> <li>Can you quantify for us the estimated financial impact (e.g., the "higher prices paid" and costs of delays) resulting from the non-compliant contracts flagged in the last audit? How many service delivery projects have been directly affected?</li> </ul>	<ol style="list-style-type: none"> <li>An investigation will be conducted to determine the financial losses, the results of which will provide quantified figures and identify the number of service delivery projects affected.</li> </ol>

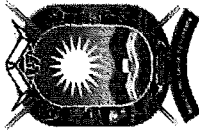
Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
City Manager Accountability, Oversight, and the Audit Action Plan						
Annual Report- Pages 1-19	Summary	None	On the Unimplemented Action Plan	None	<ul style="list-style-type: none"> <li>The findings state there was a "failure to implement and monitor the agreed-upon improvements to the prior year Audit Action Plan."</li> </ul>	The finding relating to the failure to fully implement and monitor the agreed improvements in the prior year Audit Action Plan is acknowledged. While an action plan was indeed approved and signed by management, the implementation process did not progress at the required pace, and monitoring mechanisms were not sufficiently robust to ensure full execution of all commitments.
					<ul style="list-style-type: none"> <li>You and your management team signed an action plan committing to fix these issues.</li> <li>It is now a year later, and the same problems persist. Who is held accountable for this failure to implement?</li> <li>What are the consequences for the managers responsible?</li> </ul>	The focus going forward is not only to complete the outstanding corrective actions but also to strengthen internal controls and monitoring processes to prevent a recurrence of similar findings in future audit cycles. It should also be noted that some of the findings and implementation thereof carry over to the outer financial years.

Context: The most damning finding is the failure to implement the prior year's action plan, which points to a culture of non-accountability.

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			On Uninvestigated Irregular Expenditure		<ul style="list-style-type: none"> <li>The report is explicit: irregular expenditure was not investigated to determine if any person is liable.</li> <li>As the Accounting Officer, why have you not fulfilled your fiduciary duty to investigate this irregular expenditure?</li> <li>What is your timeline for completing these outstanding investigations, and will you commit to publicly reporting the outcomes, including any recoveries made from responsible officials or contractors?</li> </ul>	<p>The Committee should note that the finding by the AGSA is related to the investigation of the entire amount disclosed on the irregular expenditure, which is a combination of historic and current year's irregular expenditure.</p> <p>There has been a backlog in resolving historic transactions, and the focus in the past was to clear the historic transactions however this has since changed as both historical and recent transactions are concurrently being investigated.</p> <p>To improve also on the investigations, Management is currently in a process of reviewing the UJWE reduction strategy which will accelerate the pace of investigations. The Strategy will also have a clear process plan with revised timelines to achieve the 75% reduction by August 2026.</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
City Manager Systemic Fixes and the Path Forward						
Annual Report- Pages 1-19	Summary	None	On SOPs and Circular 88	None	<ul style="list-style-type: none"> <li>The misalignment of Standard Operating Procedures (SOPs) with Circular 88 is a fundamental technical error. What is your specific timeline for reviewing, correcting, and re-issuing all SOPs related to performance information to ensure strict alignment with Circular 88?</li> <li>Who is personally overseeing this task?</li> </ul>	A service provider has been appointed to review all SOPs, technical indicator descriptions and business processes. The specific timeline for the project is 30 June 2025. The task is under Executive Support Services
Annual Report- Pages 1-19 executive	Summary	None	On Governance and Decision-Making	None	<ul style="list-style-type: none"> <li>The audit summary concludes that unreliable data "undermines the credibility of the reported achievements and the quality of decision-making at all governance levels."</li> <li>Given that the data feeding into your budget and IDP is fundamentally flawed, how can Council and the public be confident that the 2024/2025 budget allocates resources to the right priorities?</li> <li>What immediate steps are you taking to fix the "systemic weaknesses in performance planning" to ensure this year's budget is not based on fiction?</li> </ul>	<p>The audit summary's finding that unreliable data undermines the credibility of reported achievements and decision-making is taken very seriously. The municipality acknowledges that weaknesses in performance data management can affect planning, monitoring, and the alignment between the Integrated Development Plan (IDP) and the budget.</p> <p>Council and the public can be assured that, while certain performance indicators were flagged for data reliability concerns, the overall budget framework for 2024/2025 was developed through multiple controls and verification processes. These include departmental planning reviews, oversight by senior management, and scrutiny through Council and committee structures. In addition, community consultation processes and service delivery priorities outlined in the IDP remain key drivers in determining how resources are allocated.</p> <p>However, the concerns raised by the</p>

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
					•	<p>auditors highlight the need to strengthen internal systems to ensure that performance reporting is fully supported by credible and verifiable evidence. In response, the municipality has already initiated several corrective measures. These include strengthening internal controls over data collection and verification, standardizing performance indicator definitions and reporting templates, and enhancing the role of internal audit and the performance management unit in conducting regular data quality assessments.</p> <p>Furthermore, capacity-building initiatives are being implemented to ensure that officials responsible for performance planning and reporting understand the required standards for evidence and compliance. Departments are also required to review and refine their indicators to ensure they are measurable, realistic, and supported by reliable data sources.</p> <p>These steps are aimed at addressing the systemic weaknesses identified in the audit and ensuring that future planning, including budget formulation and performance monitoring, is based on accurate and credible information. Council remains committed to improving governance, strengthening accountability, and ensuring that public resources are directed toward the municipality's most pressing service delivery priorities.</p>



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY  
Municipal Public Accounts Committee  
February 2026**

**Public Safety and Emergency**

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
	Security Management and Vandalism- (Addressing: Risk Assessment, G-Tech, Vandalism, Private Security)	None	<p>The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.</p> <p>We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy tests and by-law enforcement are underperforming.</p> <p>We are looking for consequences for these delays and a concrete plan with timelines to fix them.</p>	None	<p>On the 2019 Security Risk Assessment: The report has been outstanding for five years.</p> <ul style="list-style-type: none"> <li>o Why has this critical risk assessment not been finalized or presented to Council?</li> </ul>	<p>In 2019, G-TAC conducted a high-level assessment and submitted a report that outlined the process BCMM should follow in order to conduct a security risk analysis. The exercise provides an approach toward conducting an SRA, and was not a risk assessment exercise itself.</p> <p>2025/26 - A security risk analysis exercise has just been finalised and the report is due to be presented at the next Council Meeting. The tender is within the project timeframes BCM currently has a hybrid guarding model comprised of in-house and private security</p>

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			Continuation		<ul style="list-style-type: none"> <li>Who is the accounting officer responsible for this delay, and what action has been taken to hold them accountable?</li> <li>What interim security measures are in place given that we are operating without a formal, up-to-date risk assessment?</li> </ul>	
			Continuation		<p><b>On the G-Tech 2019 Study:</b></p> <ul style="list-style-type: none"> <li>What were the key findings and recommendations of the 2019 G-Tech study?</li> </ul>	
	Security Management and Vandalism- Risk Assessment, G-Tech, Vandalism, Private Security)	None	<p>The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.</p> <p>We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy tests and by-law enforcement are underperforming.</p> <p>We are looking for consequences for these delays and a concrete plan with timelines to fix them.</p>	None	<p>In 2019, G-TAC conducted a high-level assessment and submitted a report that outlined the process BCMM should follow in order to conduct a security risk analysis. The exercise provides an approach toward conducting an SRA, and was not a risk assessment exercise itself.</p> <p>Key findings include -  Conduct SRA  Add security measures to combat vandalism and cable theft etc  Install CCTV across BCMM  Application to become a Metro Police must be submitted</p>	
			Continuation		<ul style="list-style-type: none"> <li>Can the municipality provide a detailed implementation status report?</li> <li>Which recommendations have been implemented, and which are still outstanding?</li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			Continuation		<ul style="list-style-type: none"> <li>What is the total financial value of the recommendations that remain unimplemented, and what has been the cost of this delay to the municipality?</li> </ul>	
			Continuation		<p><b>On Private Security vs. Permanent Staff (HR and Financial Impact):</b></p> <ul style="list-style-type: none"> <li>Please provide a detailed cost-benefit analysis comparing the current expenditure on private security versus the cost of appointing permanent</li> </ul>	<p>BCMM Security Guards are currently employed at TG 4 with annual increase. The salary for a TG 4 currently begins at R 148 873.84, with the total package at approximately R 334 729.00</p> <p>BCMM currently pays an average of R 7000.00 per guard per month, which equates to approximately R 84 000.00 per year.</p> <p>Private Security is therefore approximately 75% cheaper than in-house security.</p> <p>The benefits of private security include:</p> <ul style="list-style-type: none"> <li>risk transference</li> <li>direct reimbursement for losses, instead of via insurance</li> <li>no additional operational expenses (uniform, radios, equipment, training etc)</li> <li>no labour matters since it's a 3rd party</li> </ul>
			Continuation		<ul style="list-style-type: none"> <li>staff over the last three years.</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>Is the reliance on private security a temporary measure or a long-term strategy?</li> </ul>	<p>Once the 3-year tender is concluded, it provides a long-term solution</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report- Pages 432-434	Security Management and Vandalism- (Addressing: Risk Assessment, G-Tech, Vandalism, Private Security)	None	Continuation  The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.  We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy tests and by-law enforcement are underperforming.  We are looking for consequences for these delays and a concrete plan with timelines to fix them.	None	<ul style="list-style-type: none"> <li>If it is a long-term strategy, please justify why this is more financially sustainable than building internal capacity.</li> </ul> <p><b>On Vandalism and Collaboration:</b></p> <ul style="list-style-type: none"> <li>What specific measurable targets were set for the private security contractors to curb vandalism, and have they met these targets?</li> </ul>	Once the 3-year tender is concluded, it provides a long-term solution
			Continuation		<ul style="list-style-type: none"> <li>You mention collaboration with law enforcement and the community. Please provide specific examples of joint operations conducted in the last 12 months and the number of arrests or prevention successes resulting from these collaborations.</li> </ul>	Law Enforcement and Traffic however, hold joint operations regularly in order to combat crime as part of their activities. A cable theft rapid response group was created mid-Dec 2025. more than 30 arrests have been affected for crimes under the Criminal Matters Amendment Act, and there have also been numerous recovered implements used to conduct cable theft.

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			Continuation		<ul style="list-style-type: none"> <li>Are the Community Safety Forums functional?</li> </ul>	<ul style="list-style-type: none"> <li>Joint operations conducted in the last 12 months. Second Quarter Report 2025/2026 provides that 32 Joint operations were conducted wherein in October 2025 there were 9 operations conducted, in November 2025 there were 7 operations conducted and in December 2025 there were 16 operations conducted. The same report indicates that in December 2025 there were three criminal cases opened in terms of the Criminal Amendment Act related to cable theft</li> </ul>
			Continuation		<ul style="list-style-type: none"> <li>Please provide the minutes of the last four meetings and a report on the resolutions taken forward by the municipality.</li> </ul>	
	Operational Projects and Finances- Addressing: Parking System, Credit Cards, Roll-over delays)		Continuation		<p><b>On the Parking Management System:</b></p> <ul style="list-style-type: none"> <li>The procurement of this system is delayed. What is the exact stage at which the procurement is stuck (specifications, bid evaluation, award)?</li> </ul>	<p>Contract was previously advertised on the 8 March 2024 and closed on the 16th April 2024, with no responsive bidders. The Dept is currently in process of re-advertising the specification. The Specification was approved by BSC1 and is to be submitted for advertising by the end of March 2026.</p>
Annual Report- Pages 434-464	Operational Projects and Finances- Addressing: Parking System, Credit Cards, Roll-over delays)	None	The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.	None	<ul style="list-style-type: none"> <li>What are the total estimated financial losses (revenue not collected) due to this system not being operational since the project began?</li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			<p>We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy tests and by-law enforcement are underperforming.</p> <p>We are looking for consequences for these delays and a concrete plan with timelines to fix them.</p>		<ul style="list-style-type: none"> <li>In the absence of the new system, what manual or interim measures are in place to manage parking and collect revenue?</li> </ul>	<p>Traffic PMS- The PMS is in progress and in the interim offenders are prosecuted in terms of the 2-hour limit on parking and also including vehicles parked on yellow and red lines within the CBD areas and other areas.</p>
			Continuation		<ul style="list-style-type: none"> <li>If no measures are in place, why was a business continuity plan not developed?</li> </ul>	
			Continuation		<p><b>On Financial Transactions (Credit Cards):</b></p> <ul style="list-style-type: none"> <li>Regarding the 12,291 credit cards mentioned, please clarify: Does this figure represent the number of transactions, the number of cards issued to officials, or the rand value involved?</li> </ul>	<p>The credit card issued refers to the credit card licences and not use of credit cards issued to officials.</p>
			Continuation		<ul style="list-style-type: none"> <li>What are the municipality's policies regarding the use of credit cards, and how do you ensure that these 12,291 instances were in compliance with those policies and were for legitimate municipal expenditure?</li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report- Pages 434-464	Operational Projects and Finances- Addressing: Parking System, Credit Cards, Roll-over delays)	None	<p>The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.</p> <p>We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy tests and by-law enforcement are underperforming.</p> <p>We are looking for consequences for these delays and a concrete plan with timelines to fix them.</p>		<p><b>On Delayed Projects (Roll-over):</b></p> <ul style="list-style-type: none"> <li>• <b>Backup Generator:</b> Why was the procurement/installation of the backup generator delayed?</li> </ul> <p>The generators for the Braelyn testing station were installed on the 11/02/2025 and the Qonce traffic was installed on the 4/4/2025. the total value of the project is R 1 607 044,50</p>	
			Continuation		<ul style="list-style-type: none"> <li>• What is the current status, and when will it be fully operational?</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>• <b>Refurbishment of Law Enforcement Building:</b> What are the specific reasons for the delay in this refurbishment?</li> </ul> <p>Refurbishment of Law Enforcement office is underway. 4 new offices are being added and the building is almost ready for the roof.</p> <p>The fence and access gate at Law Enforcement have also been upgraded and R 711 262.00</p>	
			Continuation		<ul style="list-style-type: none"> <li>• What is the current financial status of this project (money spent vs. budget allocated)</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>• What is the new projected completion date?</li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
	Core Service and Enforcement- Addressing: Roadworthy, Traffic Fines, By-laws, Metal Theft	None	<p>The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.</p> <p>We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy tests and by-law enforcement are underperforming.</p> <p>We are looking for consequences for these delays and a concrete plan with timelines to fix them.</p>	<p>2023/2024</p>	<p>2024/2025</p> <p>On Roadworthy Examinations:</p> <ul style="list-style-type: none"> <li>The report indicates "low performance" in roadworthy tests. Please provide the statistics for the last quarter:</li> </ul>	<p>The low performance can be attributed to the fact that the public will generally go to facilities that are more convenient and the public are not compelled to have their vehicles tested at BCMM traffic stations. There are currently 6 Private testing stations in the Coastal area and 3 in the Inland area. Traffic Services do not control the private testing stations as these are controlled by Provincial Department of Transport. BCMM acts as agent on behalf of the PDOT with only two testing stations namely Braelyn and Zweitisha.</p> <ol style="list-style-type: none"> <li>A total of number of vehicles tested was 24 for the last quarter.</li> <li>A Total of 15 were found Compliant and a total of 9 were found non-compliant.</li> <li>BCMM acts as an agent of the DOT: Public Driving Permits applications. There are currently no delays with the PrDP applications, however the process followed is different to that of a normal Driving licence renewal application as a police clearance is required and the waiting period for this report can take up to 6 weeks. Should any delays be experienced it would be due to outside sources (Afiswitch) as they conduct the criminal record check and not the traffic department. The other possible delay could be from the DLCA (Driving Licence Card Account)</li> </ol>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			Continuation			who is responsible for uploading the police reports to our LEU machines
			Continuation		<ul style="list-style-type: none"> <li>How many vehicles were tested?</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>How many were found compliant vs. non-compliant?</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>What is the backlog for public driving permit applications, and what is the average turnaround time from application to outcome?</li> </ul>	
			Continuation		<p><b>On Traffic Fines:</b></p> <ul style="list-style-type: none"> <li>You state that "no target was set" for traffic fines. Why did the municipality fail to set a performance target for this vital revenue stream and road safety mechanism?</li> </ul>	<p><b>TRAFFIC FINES:</b> The annual target was set for collection of traffic fines which was R 8 000 000,00 and the total revenue collected was R 11 937 160,50. The annual target set 25/26 financial year is R 10 000 000,00 with a quarterly target set at R 2 500 000,00. Total revenue collected to date is R 6 571 476,00 for with an outstanding amount of R 3 428 524,00 still to be collected.</p>
Annual Report- Pages 434-464	Operational Capital Projects and Finances- Addressing: Parking System, Credit Cards, Roll-over delays)	None	The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.  We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy		<ul style="list-style-type: none"> <li>What is the current baseline of fines issued per month, and how does this compare to previous years?</li> </ul>	Noting that offenders cannot be compelled to pay their fines as they have the right to submit a representation. Although every effort is made to notify offenders of outstanding fines.

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Continuation			<p>tests and by-law enforcement are underperforming.</p> <p>We are looking for consequences for these delays and a concrete plan with timelines to fix them.</p>			
			Continuation		<p><b>On Crime Prevention and By-Laws:</b></p> <ul style="list-style-type: none"> <li>Regarding the security risk analysis procurement: Funds were available, yet procurement was delayed. What caused this administrative failure, and what consequence management has been applied?</li> </ul>	<p>Crime Prevention and By-Laws 2025/26 - A security risk analysis exercise has just been finalised and the report is due to be presented at the next Council Meeting.</p> <p>The tender is within the project timeframes.</p>
			Continuation		<ul style="list-style-type: none"> <li><b>Surveillance Cameras:</b> What is the status of the IT equipment transfer?</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>How many of the total cameras in the municipality are currently operational and actively monitored?</li> </ul>	<p>Surveillance: CCTV locations and status information cannot be shared publicly for Security reasons. However, new CCTV cameras have been installed in KWT Traffic Department are currently being viewed. CCTV cameras for Ebuhlanti and Cambridge Pump Stations have been procured</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			Continuation	None	<ul style="list-style-type: none"> <li>• <b>Metal Theft:</b> What specific by-laws or measures are in place to regulate second-hand metal dealers and scrap yards to curb theft of municipal infrastructure?</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Metal Theft:</b> Currently the Second-Hand Goods Act 6 of 2009 mandates SAPS with the Accreditation, Registration of dealers, and grants powers to SAPS officials in terms of routine inspections, entry, search, seizure, seal off, warrants and general provisions related to offences and penalties. BCMM has no by-law in place in dealing with metal dealers, however, there is a challenge because the issue of metal dealers and theft affects BCMM infrastructure and this challenge is being overcome through joint operations</li> </ul>
			Continuation		<ul style="list-style-type: none"> <li>• How many inspections of these businesses were conducted in the last year</li> </ul>	<p>These joint operations have yielded positive results such as arrests. Statistics from 19-25 January 2026 provide seven (7) cable theft incidents on BCMM infrastructure. Between 12-18 January 2026, joint operations conducted in January 2026 yielded one case of cable theft being opened in SAPS Bisho, having three (3) incidents of cable theft in the BCMM area. Seventeen (17) joint operations were conducted in February 2026 resulted to one (1) case opened with Bisho SAPS, one (1) at Cambridge SAPS and one (1) at Duncan Village SAPS, and BCMM experienced one (1) incident of cable theft, Historical Statistical analysis for the Second Quarter Report 2025/2026 indicates that there were three (3) criminal cases opened in terms of the Criminal</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			Continuation		Continuation	<p>. Amendment Act related to cable theft. The Second Quarter Report 2025/2026 exhibits 32 operations wherein in October 2025 nine (9) operations were conducted, seven (7) operation in November 2025 and sixteen (16) operations in December 2025, Seventeen (17) joint operations with SAPS were undertaken in February 2026 resulting to a criminal case registered in SAPS Bisho, one (1) criminal case registered at SAPS Cambridge and one (1) registered at SAPS Duncan Village, This process is on-going</p> <p>The tender for CCTV has been withdrawn. New specs have been compiled and will be submitted for approval this month.</p>
Annual Report- Pages 465-479	Fire Services- (Addressing: Fleet and Equipment)	None	<p>The common thread in this section is a failure to act on information we paid for (the 2019 studies) and a failure to protect our assets and revenue.</p> <p>We need to know why money is being spent on private security without a long-term plan, why capital projects like the parking system are stalling and losing us money, and why our core regulatory functions like roadworthy tests and by-law enforcement are underperforming.</p> <p>We are looking for consequences for these</p>		<p><b>On Fire Services Readiness:</b></p> <ul style="list-style-type: none"> <li>Please provide the current status of the firefighting fleet.</li> </ul>	<p>1. There are three (3) Major Pumpers and three (3) Water Tankers that are currently operational. Three (3) Major Pumpers and two (2) Water Tankers need major repairs.</p> <p>2. Operational budget for equipment</p> <p>2.1 Firefighting Foam Concentrate, Peat sorb and bio hazard carb fix (PDMC Eastern Cape will provide the department with twelve 20L drums of AFFF Foam Concentrate).</p> <p>2.2 Personal Protective Equipment, including SCBA for firefighting staff (will be procured in accordance with budgetary allocations).</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			delays and a concrete plan with timelines to fix them.			2.3 Firefighting hose and nozzles (will be procured in accordance with budgetary allocations). 2.4(d) Rope rescue equipment for Urban Search and Rescue (will be procured in accordance with budgetary allocations). 2.5(e) Hydraulic rescue tools (will be procured in accordance with budgetary allocations).
					<ul style="list-style-type: none"> <li>How many trucks are currently operational versus "badly needed" or out of service?</li> </ul>	
					<ul style="list-style-type: none"> <li>What is the current budget shortfall for firefighting equipment?</li> </ul>	
					<ul style="list-style-type: none"> <li>Provide a list of the top five critical equipment items needed immediately and the plan to procure them</li> </ul>	

File No. 4/3/2/7/5

Author: [HOD: Public Safety & Emergency Services: Adv. B.A. Mzimba/KG]

**1. PURPOSE**

The purpose of this report is to provide a response to questions raised by the Municipal Public Accounts Committee (MPAC) at the annual report 2024/25 session held on 16 March 2026 with the Directorate of Public Safety & Emergency Services on the management of Security Services within BCMM.

**2. AUTHORITY**

Municipal Public Accounts Committee (MPAC)

**3. LEGAL/STATUTORY REQUIREMENTS**

- 3.1. Constitution of the Republic of South Africa, 1996
- 3.2. Municipal Management Finance Act No. 56 of 2003
- 3.3. Criminal Procedure 51 of 1977
- 3.4. PSIRA Act 56 of 2001
- 3.5. Labour Relations Act 66 of 1995
- 3.6. Basic Conditions of Employment Act 75 of 1997
- 3.7. BCMM Standard of Conduct 2023 Updated

**4. BACKGROUND**

- 4.1. BCMM experiences syndicated and organized crime around its assets and this has resulted in vandalism and theft of critical infrastructure affecting specific departments in the main, Trading Services Departments of Water & Sanitation and Energy & Electricity, Directorate of Sport, Recreation and Community Development, Fleet Management Department, ICT Department and Finance Directorate. This has often resulted in service delivery disruptions pushing hire charges for water tankers and repair costs for electrical infrastructure, to restore functionality of assets and service delivery. The optics of all this suggest that the role players are aware of the layout of the infrastructure network and the Security pressure points of the Metro. They may even be enabled access to the sites to vandalize or steal assets.
- 4.2. In 2012, Council took a resolution to employ in-house security guards as opposed to outsourced private security. The Municipality then undertook a job creation project whereby approximately 350 posts of Security Guards were filled, and these incumbents were then responsible for security of all assets and infrastructure of BCMM. There was no Security Manager appointed to manage, coordinate and monitor the operations of this component to strengthen end-to-end accountability.
- 4.3. A Law Enforcement Services Superintendent was given the responsibility to be in-charge of the Security Officers and the activities related to the function.
- 4.4. It must be noted that Law Enforcement and Private Security are two separate fields, each with their own legislative requirements and responsibilities in terms of public safety.
- 4.5. Fourteen (14) of these Security Guards were then given Additional Responsibility Allowance to supervise the in-house guards that are guarding approximately fifty-nine (59) sites. They have not managed the private security guards at approximately seventy-six (76) sites across BCM as these were procured by the various Directorates.

- 4.6. In 2019, National Treasury assisted BCMM by providing an independent assessment conducted by Government Technical Advisory Centre (GTAC) (**Annexure A**). A high-level engagement was held with HOD's and Management to identify the key issues and propose recommendations.
- 4.7. The GTAC report highlighted the following key findings:
- 4.7.1 Contract 46 (outsourced security services) was terminated without proper assessment of the HR and financial implications. As a result, the appointed in-house security was inadequate in terms of the required capacity, and they also lacked tools of trade. The report further stated that the in-house security was grossly inadequate to protect BCMM political office bearers and facilities. The report does not confirm assessment of outsourced security services.
  - 4.7.2. The above-mentioned finding was based on the increased number of incidents of robbery, theft and vandalism at BCMM facilities.
  - 4.7.3. There was universal acknowledgement by all senior managers that the in-sourced model has not worked.
  - 4.7.4. BCMM Directorates are not coordinating efforts around security matters. All Capex projects could easily build in security requirements (cameras, fencing etc), to the project specifications. Facilities are being built without taking security into consideration.
  - 4.7.5. Roles and responsibilities at BCMM are not clearly defined and some directorates still have their own budget and provide security services instead of it being centralized within Public Safety.
- 4.8. The GTAC report further contained the following recommendations:
- 4.8.2. Update of security risk analysis is required – this has just been finalized, and the report will be presented to Council in April 2026.
  - 4.8.3. Hybrid model of security guarding provision is required, with outsourced security and armed response
  - 4.8.4. Security must be built into bid specifications for new buildings and facilities. This includes new infrastructure.
  - 4.8.5. In-sourced security must be capacitated (training and tools of trade)
  - 4.8.6. Ensure management of security personnel and performance management.
- 4.9. On 28 October 2022, took a resolution at VMMC 377/22 that:

*“1. Council approves the transfer of the budget relating to the security issues from other Directorates to the Directorate of Public Safety and Emergency Service.*

*“2. The Acting City Manager be required to convene a meeting with the Head of Directorate: Public Safety and Emergency Services the Acting Chief Financial Officer, whereat the matter related to the transfer of the budget referred to in Recommendation No.2 hereof be dealt with.”*

The report on Security Issues of All Municipal Properties is attached as (**Annexure B**) for ease of reference.

- 4.10. The new HOD was appointed on 01 September 2023 and on 3rd October 2023, the HOD: Public Safety & Emergency Services sent correspondence requesting a slot with each HOD, date, time and venue for a consultative meeting to discuss the security needs, budget availability and vulnerable installations for each Directorate. An XL spreadsheet was attached for the Directorates to populate. HOD's were further requested to indicate current contracts in place and expiry dates for these contracts. Additionally, all Directorates were requested to provide their security requirements and include any new or additional installations/buildings and to indicate which buildings/installations require priority. (**Annexure C**)
- 4.11. This exercise also assisted the HOD to determine the extent of the need and the estimated budget required to deal with the identified security needs. It became clear

that some Directorates had not budgeted for security services and yet had a great need to secure their facilities eg Directorates of Sport, Recreation, and Community Development, the then Infrastructure Directorate (especially water and sanitation, electricity department, fleet department and roads).

- 4.12. It also became very clear that there was historical neglect in the investment by the institution on securing its assets. The budget allocation lacks intentionality on proactive safeguarding instead of being biased towards budgeting for repairs of these assets after being vandalized or replacing them after they had been lost or stolen.
- 4.13. This neglect has characterized the budget allocation patterns by the City for the safeguarding of assets and the centrality thereof to the spate of vandalism and theft of the municipal assets. Furthermore, the City has not invested in technology to secure its strategic assets. Budget allocated for safeguarding is not consistent with the value of assets in the City.
- 4.14. The Directorates, especially Water & Sanitation and Energy & Electricity, are not prioritizing the procurement of technologically inclined security measures to secure their vast and critical infrastructure. Preferring to procure physical security on their own outside of Public Safety without understanding the security industry norms and minimum physical security requirements for the protection of the assets, despite numerous requests for the Directorates to consult Public Safety and Emergency Services Directorate. This has led to misallocations in their own general expenses budgets and causes difficulty for Public Safety to determine the estimates for the required budget to provide minimum protection for their assets. **(See Annexure D)** (e-mail to the HODs regarding non-compliance to procurement arrangements)
- 4.15. To give effect to the GTAC report recommendations, a submission was made to structures of Council and Council by the Directorate of Public Safety and Emergency Services, following an intensive consultative exercise of the amendment of the existing Public Safety and Protection Services organogram, development of Job Descriptions and Evaluation thereof. The submission sought Council approval for the establishment of a Security and Protection Services Division which was going to be responsible for the management, coordination and monitoring of security services in the City and the functions related thereto. This is consistent with other Metros in the Country.
- 4.16. On 22 August 2024, Council took a resolution and approved the proposed organizational structure for the establishment of the Security and Protection Services Division within the Directorate of Public Safety & Emergency Services, at a projected budget of R 3 807 645.00 to fill the positions of the Chief Security & Protection Services Officer, the Deputy Chiefs for Security Services and VIP Protection Services. **(Annexure E).**
- 4.17. The objective was, among others, to ensure end-to-end accountability, proper coordination, monitoring and capacity building of security services as a Section, implement the recommendations of the GTAC Report, ensure that a comprehensive risk analysis is conducted and its recommendations implemented and to also establish the VIP Protection Unit.
- 4.18. Following a lengthy process of recruitment and selection, on 1 April 2025, Mr Kuben Govender assumed duties as Chief: Security and Protection Services. It must be noted that the Chief had to take on the task of managing the in-house guarding component, as well as the private security contracts. Thus far he has been performing these duties alone, with an Intern attached to his office whilst the recruitment process for the other deputy positions is still underway. BCMM Security Committee has also been established, which is the first step toward achieving security compliance within BCMM. The Terms of Reference of the Security Committee are attached as **(Annexure**

F). A 3-year tender process is also underway; the tender is currently at BAC. Security Services are in the meantime procured by way of RFQs for the various Directorates based on availability of budget and risk priority.

- 4.19. Currently there is only a Physical Security component that has been established under Security Services. There is no provision yet for the Information Security component which will be responsible for security investigations and vetting.
- 4.20. On 16 March 2026, HR advertised the posts of Deputy Chief: Security Services x 2, as well as Deputy Chief: VIP Protection Services. Fifteen (15) Security Guard positions have also been approved for recruitment.
- 4.21. This is the start-up structure that will be responsible for on the ground support to Directorates and ensure that the value chain of accountability for the management and provision of security services within BCMM is strengthened as well as collaboration with law enforcement services, SAPS and community partners, among others.
- 4.22. The implementation of the Integrated Safety Plan of the City once developed as the action plan for the Security Risk Analysis, is one of the key responsibilities of these Deputies.

## 5. **EXPOSITION OF FACTS**

- 5.1. Security Services component is an established structure within all spheres of government, and the State Security Agency runs the Security Managers Forum (SMF) which have provincial forums that provide quarterly reports to the National SMF. Since BCMM has never had a Security Services component, they have never formed part of this forum, nor have they submitted any compliance reports.
- 5.2. Prior to the establishment of Security and Protection Services, the Directorates were procuring their own security services. It was discovered that the same service providers were always getting security contracts awarded to them. The officials that were procuring security services did not possess the necessary competence to ensure that appointed service providers were compliant. The appointed security service providers were also not effectively managed, and the minimum physical security standard norms were not applied.
- 5.3. It must be noted that in terms of Section 38(3)(g) of the PSIR Act, BCMM has an obligation to ensure that any security service provider they appoint, must be fully compliant to the relevant legislation. Failing to do so constitutes a prosecutable offence (**Annexure G**).
- 5.4. When Security and Protection Services took over the procurement of security service providers it resulted in many non-complaint companies being discovered.
- 5.4.1. Two (2) Companies have been reported to Competition Commission for suspected bid collusion.
- 5.4.2. One (1) Company is currently under investigation for multiple counts of Fraud against BCMM.
- 5.4.3. One (1) Company is being referred to Risk Management for further investigations.
- 5.4.4. Other companies are being monitored as they seem to be submitting suspected forged documents in order to appear compliant.

- 5.4.5. The above-mentioned companies had been awarded security guarding contracts at BCMM for many years. A forensic investigation should be initiated as the costs incurred thus far could run into the millions of rands.
- 5.4.6. In May 2025, HOD: PS&ES wrote a Memo to all HOD's, GM's and Program Managers, via the office of the ACFO, requesting all Directorates to ensure that security services procurement be done via the office of Security and Protection Services (**Annexure H**). The Memo confirmed that security guarding services will be managed via Security and Protection Services going forward. There are, however, Directorates that still have not consulted Security and Protection Services about sites that require private security.
- 5.4.7. Directorates were requested to identify and ring fence budget under Public Safety for the provision of security guarding services. thus far, not all Directorates have provided this budget. The ring-fencing was important in that Directorates that had rationalized their budgets to make provision for the protection of their assets would not be disadvantaged because of Directorates that did not do so. All Security votes of the various Directorates/Departments reflect their allocations as per the provision made by that particular Directorate. Sports, Recreation and Community Development, Water and Sanitation and Electricity have insignificant budget and almost to nothing to protect the vast assets under most of their departments. This includes community halls and offices. (**See attached Annexure I**)
- 5.5. For the financial year 2025/26, Directorates contributed a total of R 24 959 442,00. The expenditure after Q2 was at R 11 739 365,35 with a balance of R 13 220 076,65 available for Q3 and Q4 (**Annexure J**). This is only utilised for security guarding services.
- 5.6. A security risk analysis has been conducted, and the report is due to be presented at Council in April 2026. The report will be utilised to compile security action plans per category on the type of facilities. Specific security action plans will be compiled for critical infrastructure and other sites.
- 5.7. Directorates will be required to ensure that facilities have the basic requirements before security guards can be deployed. These include shelter (office or guardhouse) from harsh elements (rain, sun, wind), availability of fresh water and ablution facilities, supply of electricity for security equipment (torches, radios). Some Directorates constantly request procurement of security guarding services, but they have not ensured that their facilities can provide these basic human necessities.
- 5.8. Public Safety cannot process requests to provide security at offices, which are on private land and not sites belonging to BCMM. This cannot be done as it will amount to irregular expenditure. Also, service providers cannot be dictated to who to employ once they are awarded contracts to guard a facility for job creation purposes rather than the hiring of competent security guards. This leads to the exposure of municipal assets to both theft and vandalism, as the untrained guards do not perform proper safeguarding functions. This further exacerbates the current problem and unprofessional conduct becomes prevalent.
- 5.9. Public Safety is busy finalising a 3-year tender for provision of security guarding services. This will ensure effective management of security service providers, as they will be compelled to enter Service Level Agreements with BCMM.
- 5.10. BCMM currently has seventy-six (76) short term contracts for Directorates that have informed Public Safety of where they had deployed security guards previously. This

has resulted in repeated findings by the Auditor General, which makes the approval of the 3-year tender and the proper coordination of security services very critical.

## **5.11. SPORTS, RECREATION AND COMMUNITY DEVELOPMENT DIRECTORATE**

5.11.1 This Directorate has many facilities, including halls, cemeteries, libraries etc. Many of them have been vandalised over the years but no budget has been provided for security to safeguard them.

5.11.2. Almost all their sites have clear view fencing. This fencing does Not meet the Minimum Physical Security Standards for government sites. The panels are also not being correctly installed as they are at ground level instead of being constructed with a continuous foundation. This is why it is so easy to steal the fencing. The specification was either too narrow, or the service provider deliberately provided BCMM with inferior products. This warrants further investigation because BCMM has clear view fencing at all its facilities.

5.11.3. Requests for Security have been received but upon assessment it was discovered that some sites were vandalised years ago and it is impossible to deploy security guards at this stage. Parkside Library is an example.

## **5.12. ENERGY AND ELECTRICITY TRADING SERVICE**

5.12.1. Security and Protection Services have not received any requests For security services from Electricity Department. The Department continues to procure security services on its own and Public Safety Directorate is unaware of how many security contracts the Electricity Department has. Even though they have repeatedly reported vandalism and cable theft on various platforms and to Council structures, no reports have been received at Public Safety except from December 2025.

5.12.2. Security and Protection Services was brought on board in December 2025 during the Amalinda area outage crisis and a cable theft task team was established. This team has since reduced cable theft and over thirty (30) suspects have been arrested in East London and Qonce. **Three (3) of the arrested suspects are officials from Electricity Department.**

5.12.3. Whilst engaging Electricity, it was discovered that they have a makeshift Control Room at their Beacon Bay office. The operator is a normal official and not registered with PSIRA. Although they are monitoring, they do not respond to any incident, or they are not linked to response. The Department has been advised to have this Control Room linked to response and BCMM security given access to the information as well as law enforcement to provide effective security.

5.12.4. Electricity has recently confirmed that they have R5m budget for security and are using it for security that they have procured. It is reported that Electricity is experiencing losses of over R100m per month due to vandalism but instead of engaging Security and Protection Services, they continue on their own, fully aware that their current security provision is ineffective. A large part of their budget is biased towards repairs to vandalized cables, substations and so on instead of to safeguarding. **(Annexure K)**

5.12.5. In this industrial revolution, technology is not used to safeguard assets eg tamper proof measures, motion detectors albeit the managers are aware of these solutions. The Electricity Department procured a drone

almost two (2) years ago and there is no drone pilot licenced to operate it as yet. 512

- 5.12.6. BCMM cables are not marked which makes it difficult for BCMM Security, Law Enforcement Services and SAPS to identify them when recoveries are made. The Department has been advised to mark the cables as this was the case many years ago.
- 5.12.7. The Revenue Protection Unit is not adequately staffed, Law Enforcement Services assist with illegal electricity connections on schedule.

### **5.13. WATER AND SANITATION TRADING SERVICE**

- 5.13.1. Zwelitsha Wastewater Works Treatment plant vandalism occurred from 2021 -2023 (**Annexure L- Report on Vandalism of Infrastructure 2021- 2023**).
- 5.13.2. Sanitation Department developed an improvement plan in response to a Regulatory Authorities Engagement Meeting held on 20 November 2023. The meeting included representatives from the Department of Forestry, Fisheries and the Environment (DFFE), the Department of Water and Sanitation (DWS), the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), and the municipality. During this engagement, the regulatory authorities requested that the municipality prepare and submit a budget-backed plan to address wastewater infrastructure deficiencies and eliminate sewage spillages into the municipal river systems. This initiative was necessitated by the cable theft and vandalism incidents, which have resulted in the discharge of partially treated and untreated sewage into streams and rivers within the municipal area.
- 5.13.3. Sanitation Department developed a capital budget allocation for the Sanitation Department during the 2024-2025 financial which included security measures to be implemented at the Wastewater Treatment plants accordingly. The Directorate of Public Safety & Emergency Services was not part all these meetings and activities, nor were they invited. (Annexure - wastewater treatment works improvement plan).
- 5.13.4. The Department procures security services on their own, but the Directorate of Public Safety and Emergency Services has since escalated the matter to the City Manager. The Department has from December 2025, started to improve engagements with the BCMM Security & Protection Services Section, whilst challenges in communication and cooperation from officials still exist.
- 5.13.5 As now A Trading Service, the Water and Sanitation Directorates has appointed professional services for the assessment, review and preparation of designs and tender documentation for the diversion of wastewater flows from Schornville Wastewater Treatment Works (WWTW) to Zwelitsha WWTW. (**Annexure M- minutes of meetings**)
- 5.13.6. BCMM Security & Protection Services was not invited to the meetings, and it is reflected in the minutes that the decentralization of security services from the Directorate of Public Safety & Emergency Services was discussed.

- 5.13.7 The trading service has also through the service provider compiled an infrastructure improvement plan which includes all the security measures for the wastewater treatment works. The reality is that the Trading Service has not yet matured to operate on its own as a business unit and still requires to comply with BCMM's policies and Council resolution, including the support from BCMM Security & Protection Services. There are security guards on site, but their effectiveness is limited as the perimeter fence, security lighting and CCTV are required to be included in the upgrades. There are cameras and there is an order for works that was generated in January 2026 by the Trading Service (**Annexure N**– order for Zwelitsha)
- 5.13.8. A budget allocation of R 5 million was made available in May 2025 during the budget adjustment to conduct general refurbishments to the Old Zwelitsha WWTW. Detailed assessments of required repairs were conducted in May 2025, and a contractor was appointed in June 2025; however, no work has been conducted to Old Zwelitsha WWTW to date. A request for a budget rollover has been made so that the appointed contractor can commence with the required repairs in the current financial year. (as per the improvement plan).
- 5.13.9 Water & Sanitation reports that the Implementation of the improvement plan commenced during the 2024/2025 financial year. Although the budget for that financial year did not fully prioritize wastewater infrastructure security upgrades as initially proposed.
- 5.13.10. Furthermore, the Trading Service has committed that the Wastewater Infrastructure Improvement Plan will continue to be implemented over the mid-term budget period, with a sustained focus on enhancing security measures at wastewater treatment works and sewage pump stations to mitigate vandalism and theft.
- 5.13.11. Lastly, key to the enhancement of security measures at the plant is the introduction of a centralized surveillance and armed response system is essential to ensure that any tampering with installed security infrastructure is promptly detected and effectively addressed.
- 5.13.14. Schornville Wastewater Treatment Works is also included in the scope of work. (See annexure which a Memo is dated 23 January 2026) AHOD, Mr Nongongo has made submissions to the material findings of the Auditor- General and confirmed that the large-scale vandalism occurred in 2022 and also attached budget estimates required to restore the plant to functionality.

## 6. CHALLENGES

CHALLENGES	PROPOSED INTERVENTION
1. Security guarding services is being procured via short term contracts	1. Award the 3-year security guarding tender
2. Critical infrastructure Sites are severely vandalised, mostly from 2020	2. Security risk analysis report must be accompanied by an action plan that must be implemented per critical area of operations and budget allocated accordingly.

3. Directorates invest millions of rands in infrastructure, but do not cater for security provision in this procurement	3. Security Services must provide input such that adequate security measures are included in all relevant tender specifications.
4. Security guards cannot be posted on sites that are severely vandalised or that don't have basic amenities	4. Sites should ensure that basic facilities are in place so that security guards can be deployed.
5. Theft and Vandalism at Critical water & wastewater sites, other electrical installations and departments over a number of years	<p>5. 1A forensic investigation should be initiated to establish the root cause of vandalism at BCMM and should initially focus on Water &amp; Sanitation Department sites (peak 2020-2022), Electricity Department, Sport, Recreation &amp; Community Development Directorate especially community halls, Finance Department &amp; LED (cash offices), Councillor's offices, ICT Department including CCTV cameras, Fleet Management Department</p> <p>5.2 Planned security improvements must include investment in technology-based interventions aimed at deterring and detecting vandalism of municipal infrastructure, as well as structured engagements with communities, law-enforcement agencies and other stakeholders.</p>
6. There are very few reports of vandalism reported by Directorates since the establishment of Security and Protection Services.	6. All incidents of vandalism and theft to be reported by Directorates to Security & Protection Services/ Law Enforcement Department and cases opened at police stations and not only for insurance purposes but for investigation by the police.
7. Resistance by Directorates to procure Security Services through Security & Protection Services	<p>7. 1 Establishment of Security Committee to strengthen integration at Senior Management level to cascade down to all levels.</p> <p>7.2 SCM has been requested not to process any requests by Directorates that have not been endorsed by the Security &amp; Protection Services Division to ensure adequate security deployment is procured per site based on vulnerability instead of a</p>

	thumb suck as this exposes sites.
8. Lack of prioritization of security budget allocation for proactive safeguarding of assets by BCMM	8. Budget Allocation to prioritize security measures and protection of assets instead of post facto repairs to vandalized infrastructure
9. Poor asset management by Departments and asset owners	9. 1 Asset Management Department to do regular asset verification according to asset register 9.2 Asset owners to be held accountable for damage and/or loss of assets – consequence management

## 7. **STAFF IMPLICATIONS**

7.1 The Recruitment and Selection process for the Deputy Chiefs for Security and Protection Services is currently underway. Additionally, fifteen (15) Security Guard positions have been approved for recruitment. This will strengthen the capacity of the Division to manage, coordinate and monitor security services and related functions with the Metro.

## 8. **FINANCIAL IMPLICATIONS**

8.1 Majority of the Directorates have already ring-fenced funding for security guarding and PS & ES utilise this budget for procuring security guarding services. Currently the Directorate procures via RFQ because the recommended 3- year tender is not yet finalized. The Directorate of Sport, Recreation & Community Development has made no budget provision for the protection of the majority of its assets eg community halls, libraries, cemeteries etc (Annexure – spread sheet on budget)

8.2 All Directorates will still be responsible for procurement of basic requirements to enable security provision as well as security enhancements in order to protect all assets and infrastructure of BCMM. e.g perimeter fencing, lighting, burglar bars, inside cameras. P&S advises on requirements and specifications.

8.3 BCMM Security Guards are currently employed at TG 4 with annual increase. The salary for the TG 4 currently begins at R148 873.84, with a total package at approximately R 334 729.00.

8.4 BCMM currently pays an average of R7000.00 per guard per month, which equates to approximately R84 000.00 per year. Private Security is therefore approximately 75% cheaper than in house security. This is the current cost benefit ratio and may fluctuate, however, the savings are clear.

Furthermore, the benefits of private security include:

- 8.4.1. Risk transference
- 8.4.2. Direct reimbursement for losses, instead of via insurance
- 8.4.3. No additional operational expenses (uniform, radios, equipment etc)
- 8.4.4. No labour issues since its 3<sup>rd</sup> party
- 8.4.5. No absenteeism or leave requests from employees

8.4.6. Once the 3- year tender is concluded, it will provide a long term solution

8.5 BCMM budget allocation for security/protection of assets is grossly inadequate to cover the basics required to safeguard the critical and strategic assets of the Metro.

8.6 Budget is allocated more for repairs to damaged assets or replacement of the asset than for the actual protection of the asset from damage/vandalism or theft. 516

**9. OTHER PARTIES CONSULTED**

9.1 Corporate Services

9.2 SAPS

**10. RECOMMENDATIONS**

It is recommended that:

10.1. Municipal Public Accounts Committee (MPAC) NOTES the response to questions raised on the management of Security Services within BCMM at the annual report 2024/25 session held at 16 March 2026 with the Directorate of Public Safety & Emergency Services

**ADV.B.A. MZIMBA**

**DATE:**

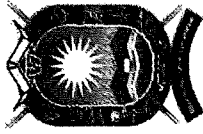
**HOD: PUBLIC SAFETY & EMERGENCY SERVICES**

**M. YAWA**

**DATE:**

**CITY MANAGER**

Adv. B.A. Mzimba/kg



**BUFFALO CITY**

**METROPOLITAN MUNICIPALITY**

**Municipal Public Accounts Committee**

**March 2026**

**Solid Waste and Environmental Management**

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report	Waste Management	<ul style="list-style-type: none"> <li>There is a serious problem with a lot of under reporting.</li> </ul>	<ul style="list-style-type: none"> <li>There is a serious problem with a lot of under reporting.</li> </ul>	<ul style="list-style-type: none"> <li>Management did not report fully on this function, please provide the Committee with an updated report that deals with the challenges and achievement of the department of providing waste management</li> </ul>	<ul style="list-style-type: none"> <li>Lack of sufficient reporting by Management for this division seems to be perpetual, what are the challenges prohibiting sufficient reporting? Management must furnish the Committee with an updated report that deals with the challenges and achievement of the department of providing waste management</li> </ul>	<p>The Department continues to provide waste management services to the 3 regions of the City. The services include area cleaning, i.e. street sweeping, gutter clearance, litter picking, clearance of illegal dumps including refuse removal. The waste management service is provided to formal and informal households, businesses and institutions on a daily basis. The Coastal region provides service to 16 areas a day, Midland services 9 areas a day and Inland services 13 areas a day. The waste management services are also enhanced by various public employment programs. As a result areas that were not receiving the service are now accessing the service. The strategic areas of the</p>

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
						<p>City e.g. City entrances and exits as well as tourist attractions are attended to.</p> <p>The Department also carries out the daily operations and management of the 2 landfill sites, garden transfer stations as well as Buy Back Centres. The waste from the daily operations are disposed of at the landfills.</p> <p>The garden transfer stations processes garden waste prior to its transport and disposal at the landfill sites. At the Buy-Back Centres, recyclable waste brought in by community members and Waste Pickers is also processed and baled and transported to the recycling markets that are currently in other cities.</p> <p>The Buy Back Centre patrons are incentivized with vouchers that can be used for purchase of household essentials.</p> <p>The Department also conducts public awareness raising, education and cleanup campaigns to encourage behavior change in terms of waste management and programs of the department. The Department with leadership, management and community members also undertake Service Delivery Fridays cleanup campaigns.</p> <p><b>The challenges and achievements</b> of the department in relation to providing waste management are as follows:</p>

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
						<p>While the Department does the above-mentioned activities and initiatives, illegal dumping, littering are still prevailing in certain areas. Non-compliance to refuse removal schedule where certain businesses and households do not stick to the schedule of refuse removal.</p> <p>The possible solutions to address these challenges are as follows:</p> <ul style="list-style-type: none"> <li>▪ Scheduled illegal dumps clearance and progress is reported on and discussed in the Directorate Portfolio Committee.</li> <li>▪ Waste Bylaw review addresses illegal dumping and provides for curbing of illegal dumping.</li> <li>▪ Implementation of the Adopt-a-Spot program. The members of the community can apply for adoption of open spaces that are used as illegal dumping hotspots and convert these to be spots of beneficial use to the community, e.g. beautification, food gardens etc.</li> </ul>
					<ul style="list-style-type: none"> <li>• When one drives around the Municipal Wards on a Friday one will see a group of people on the streets actively cleaning. If management could give clarity as to whether this is a municipal program and who the participants are</li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
					<ul style="list-style-type: none"> <li>How many applications were received during 2024/25 financial year to adopt a spot in line with the Adopt a Spot Policy, how were approved and for what purpose?</li> </ul>	
					<ul style="list-style-type: none"> <li>Does the municipality still distribute refuse bags to households.</li> <li>If yes, to which wards, how many bags per household and how often are they distributed.</li> <li>If done, management must provide the Committee with a POE to confirm such is done.</li> </ul>	
	Fleet Management	<ul style="list-style-type: none"> <li>There's an issue regarding the fleet because it has financial implications, and this issue is not in the report.</li> <li>The last time the Committee asked how many trucks the City had, and the answer was 73 and only three were operational, 27 had been vandalized and six were beyond repair</li> </ul>	<ul style="list-style-type: none"> <li>With the report lacking sufficient information, there is no mention of operational fleet to efficiently execute operations</li> </ul>	<ul style="list-style-type: none"> <li>Management does not reflect on operational fleet</li> <li>What is the status of the fleet for waste management services? And how many are operational, being fixed, and currently being hired (and at what cost).</li> </ul>	<ul style="list-style-type: none"> <li>Management to report on fleet to be procured if any as well as reflect the financial implications</li> </ul>	
Continuation	Continuation	Continuation	Continuation	Continuation	<ul style="list-style-type: none"> <li>Yet again, Management is requested to furnish the Committee with the status of the fleet for Waste Management Services reflecting on the number of fleet allocated to the Division, the type of fleet allocated, that operational, challenges of the non-operational fleet, and plan of action to address the challenge?</li> </ul>	<p>The solid waste department specialized fleet minimum requirements daily operations are as follows:</p> <ul style="list-style-type: none"> <li>Compactor trucks: 60</li> <li>4-ton trucks: 17</li> <li>Tipper trucks: 9</li> <li>TLBs: 7</li> <li>Load luggers: 9</li> <li>Dozers: 3</li> </ul> <p>The vehicles experience frequent breakdowns due to various reasons. The rate of repairs by the Fleet &amp;</p>

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
					<ul style="list-style-type: none"> <li>• Mechanical Workshop does not meet the demands of the solid waste services provision, as a result complementary fleet is hired.</li> <li>• The specialized solid waste management fleet is hired through the City's annual contract. The hired specialized solid waste fleet complements the BCMM fleet to prevent disruption of waste management services. The hired fleet comes with its own staff so as to reduce risk to the City. The City fleet operating staff e.g. Drivers, Truck Helpers are redirected to other tasks of the Department.</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>• Where fleet is being hired/leased, how many are being hired/leased and type, the cost implications thereof.</li> <li>• Please reflect in the annual report on the lease agreements in place for hired/leased fleet, outlining the type of fleet, cost implications and lease period.</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>• From the provided response on TLB's hiring 09 whereas according to needs analysis 07 were required. If management can explain why this irregularity of hiring outside the needs analysis by management.</li> </ul>	
			Continuation		<ul style="list-style-type: none"> <li>• Management to clarify the response on the specialized social waste fleet hired that comes with its own staff. With the fleet coming with its own staff is the hired municipal staff declared redundant and is the City now paying for additional staff whereas the City has staff appointed to deliver on the waste management duties. Management to clarify what these employees are currently doing.</li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			<ul style="list-style-type: none"> <li>Continuation</li> </ul>	<ul style="list-style-type: none"> <li>Is the continued hiring of fleet financially viable, if management can outline the cost implications for the year under review.</li> </ul>	<ul style="list-style-type: none"> <li>What is managements plan to better manage this perpetual fleet downtime.</li> </ul>	
Auditor General Presentation page 16	Landfill Management	Waste Management	<ul style="list-style-type: none"> <li>There's a lot of under reporting because they only talk about the landfill</li> <li>sites, the buyback centers, the galvanized street litter bins.</li> </ul>	<ul style="list-style-type: none"> <li>The BCMM has two landfill sites Roundhill and King Williams Town landfill sites. Roundhill landfill site had been audited in the previous year, and the condition met the environmental requirements.</li> <li>King Williams Town had the following short comings: The landfill site did not have an air monitoring system in place, therefore, implications of the air quality inhaled by staff members, scavengers and visitors to the site remains unknown thus posing a potential health and safety risk.</li> <li>No testing laboratory on site at the King William's Town (KWT) landfill site and reliance was on the use of the laboratory based in Roundhill landfill site which is located approximately 60kms away. There was a challenge of insufficient equipment for daily operations on site and insufficient fleets. No leachate cells were constructed in the landfill site.</li> <li>The absence of a liner system results in contamination of the subsoil due to leaching that is taking place into the surrounding environment</li> </ul>	<ul style="list-style-type: none"> <li>BCMM has two permitted landfill sites viz: Roundhill Landfill site and King Williams Town Landfill sites and there (3) Transfer Stations viz: Kayzers Beach Garden Transfer Station, Kidds Beach Transfer Station and Beacon Bay Garden Transfer Station. The fourth Garden Transfer Station is privately owned, and it is situated in Gonubie.</li> </ul>	<p>As part of the waste management service provision, the Department has to ensure establishment, operation and management of waste management facilities viz: landfill sites, Buy-Back Centres and Garden Transfer Stations.</p> <p>There are 2 permitted landfill sites, Roundhill Regional Landfill site and King Williams Town Landfill sites. The general waste from the Coastal and Midland regions is disposed of at Roundhill and Inland region waste is disposed of in King Williams Town landfill site. The Roundhill landfill has been audited by external and internal stakeholders and has been found to be compliant.</p> <p>The weaknesses that have been identified by the audits including Auditor-General regarding the King Williams Town landfill site are currently being addressed by the Department. These weaknesses include among others: access control, staff offices, signage to and inside the facility, lack of proper leachate management system etc</p>

Page Reference	Section	Issue		Questions/Interventions/ Recommendations		Management Response
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Auditor General Presentation page 16	Landfill Management	Waste Management	<ul style="list-style-type: none"> <li>There's a lot of under reporting because they only talk about the landfill sites, the buyback centers, the galvanized street litter bins.</li> </ul>	<ul style="list-style-type: none"> <li>The BCMM has two landfill sites Roundhill and King Williams Town landfill sites. Roundhill landfill site had been audited in the previous year, and the condition met the environmental requirements.</li> <li>King Williams Town had the following short comings: The landfill site did not have an air monitoring system in place, therefore, implications of the air quality inhaled by staff members, scavengers and visitors to the site remains unknown thus posing a potential health and safety risk. No testing laboratory on site at the King William's Town (KWT) landfill site and reliance was on the use of the laboratory based in Roundhill landfill site which is located approximately 60kms away. There was a challenge of insufficient equipment for daily operations on site and insufficient fleets. No leachate cells were constructed in the landfill site. The absence of a liner system results in contamination of the subsoil due to leaching that is taking place into the surrounding environment</li> </ul>	<ul style="list-style-type: none"> <li>Continuation</li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Auditor General Presentation page 16	Landfill Management	<ul style="list-style-type: none"> <li>Waste Management</li> </ul>	<ul style="list-style-type: none"> <li>90% of refuse is collected by private contractors, but this isn't mentioned in the report.</li> </ul>	<ul style="list-style-type: none"> <li>Management makes no mention of leases/Service Level Agreements by the Division</li> </ul>	<ul style="list-style-type: none"> <li>Is there any service level agreement with the private contractor/ landfill management site privately, and if signed, how much does it cost the city annually, and if not, how does the City manage the relationship between itself and the private contractors</li> </ul>	<p>The Department implements Public Employment Programs, EPWP and DEDEAT Working for the Coast. Through these programs the Department has achieved positive outcomes in terms of extension of services to areas that were previously not getting service in the urban node, e.g. informal settlements, reduction of overtime and enhancement of cleaning services through an integrated cleaning approach that involve joint street cleaning, gutter clearance, weeding of road verges, litter picking, clearance of illegal dumps, refuse removal, daily operations in the waste facilities (landfills, transfer stations and Buy Back Centres)</p>
Annual Report Page 189	Community Satisfaction Survey	<ul style="list-style-type: none"> <li>Employees at Solid Waste Services, Waste Disposal and Other Services, and Participants</li> </ul>	<ul style="list-style-type: none"> <li>Solid waste management is one of the key service delivery mandates of the municipality.</li> </ul>	<ul style="list-style-type: none"> <li>Committee acknowledges the low vacancy rate in the Division.</li> <li>There is however no mention of the participants recruited into the Department.</li> </ul>	<ul style="list-style-type: none"> <li>How many Participants were recruited for the year under review and is there recruitment beneficial for the City</li> </ul>	

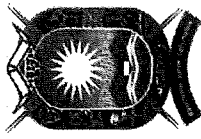
Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report Page 190	Capital Expenditure for 2024/2025: Waste Management	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Table T3.4.9 Capital expenditure for 2024/2025 on Waste Management Services</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Has management conducted such a survey, if yes what were the outcomes thereof and the plans of management to remedy the findings. If not, what are the challenges to conduct such and when will management address this gap?</li> <li>The Committee has noted with great concern the non-expenditure on key capital projects of which provision was made on the budget amongst others BCM Fleet and Plant – for Solid Waste and Environmental Management,                             <ul style="list-style-type: none"> <li>What was the cause for non-expenditure and managements plan to address these challenges experienced when funding is allocated to allow for service delivery through these capital projects.</li> </ul> </li> </ul>	
Management Letter Page 44	The National Environmental Management Waste Act	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>The National Environmental Management Waste Act, 2008 (NEMWA) regulates waste management to protect health and the environment by providing reasonable measures for the prevention of pollution and ecological degradation and for securing ecologically sustainable development. As part of the assessment of solid waste management, the AG performed site visits to the King Williams Town Waste Landfill Site.</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>All though not regarded as material by the AG, a number of deficiencies were highlighted during this visit which the Committee considers to be concerning as part of compliance to. NEMA                             <ol style="list-style-type: none"> <li>There was no testing laboratory on site at the King William's Town (KWT) landfill site and reliance was on the use of the laboratory based in Roundhill landfill site which is located approximately 60kms away.</li> <li>The landfill site did not have an air monitoring system in place, therefore implications of the air quality inhaled by staff members, scavengers and visitors to the site remains unknown therefore posing a potential health and safety risk.</li> <li>Non-implementation of the</li> </ol> </li> </ul>	

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report Page 361 - 363	Environmental breaches	<ul style="list-style-type: none"> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Through compliance with this legal and policy framework, the Municipality continues to safeguard natural ecosystems, strengthen community resilience, and pursue a balanced approach to development that benefits both present and future generations. In line with the NEM: ICMA, estuary management across the country must be conducted in a co-ordinated and efficient manner. This is to be undertaken in accordance with the National Estuarine Management Protocol ("the Protocol"), which provides direction for the sustainable use and protection of these vital ecosystems.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• condition assessment of the landfill site recommendations which are key for safety on site.</li> <li>• Optimum and efficient operations on site are impacted by the inadequate equipment for daily operations on site at the KWT landfill site</li> <li>• What short and long-term measures will management implement to address these findings in order to avert a potential finding on contravening NEMA standards</li> </ul>	
		<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• In ensuring compliance to legislation, maintaining and protecting the ecosystem, the Committee has noted with great concern the environmental breaches as a result of sewer spillages due to infrastructure deficiencies</li> <li>• Has the municipality conducted an environmental impact assessment, if yes how many were done for the year under review and the financial implication thereof. If not, why not and what is the plan of management to ensure that such is conducted.</li> <li>• How is management managing the impact of environmental breaches caused by both wastewater and solid waste impact on the environment through spillages into the beaches/rivers/streams causing serious environmental health hazards to the community.</li> <li>• How many spillages has the municipality had during the year under review and where were these spillages, and the financial implications as a result thereof.?</li> <li>• What corrective and preventative measures will management implement to address these breaches</li> </ul>			

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Annual Report Page 364	Air quality monitoring	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>The procurement of air quality monitoring equipment and maintenance of existing instruments were implemented across three key air quality monitoring stations within BCMIM.</li> <li>Gompo Air Quality Monitoring Station</li> <li>East London Air Quality Monitoring Station</li> <li>Zwelitsha Air Quality Monitoring Station</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>	<ul style="list-style-type: none"> <li>Management to provide the financial implications of these procurements</li> </ul>	

Additional MPAC Comments

- (1) All tables to have narrations for ease of reference
- (2) Management to confirm the variance reflected in the tables
- (3) Management to ensure that all tables are legible, complete, and accurately completed with validated information in line with National Treasury requirements and all tables be narrated on for ease of reference and understanding
  - a. Page 187, T3.4.4: Illegible
  - b. Page 188, T3.4.5 and T3.4.6: Narration must reflect on variance and the impact of the number of employees to efficiently and effectively perform their duties
  - c. Page 190, T3.4.9: Narration to give a clear understanding of performance and challenges
  - d. Management is to refer to Committee comments during the 2023/2024 Annual Report where it was requested that pictures be included in the report as part of POE for performance



**BUFFALO CITY  
METROPOLITAN MUNICIPALITY**  
**Municipal Public Accounts Committee**  
**February 2026**

**Questions Executive Support Services**

Page Reference	Section	Issue		Questions/Interventions/ Recommendations	Management Response
		2023/2024	2024/2025		
Internal Audit Report	Follow-up on High-level Compliance review of 2024/25 Draft Annual Report	None	<ul style="list-style-type: none"> <li>• Based on our Review the following weaknesses were identified:               <ul style="list-style-type: none"> <li>◦ Non-compliance with National Treasury Circular 63 and Section 121 of the MFMA.</li> <li>◦ Of the total number of 92 compliance requirements in the 6 chapters reviewed, 54 items (57%) were fully addressed by Management, 01 partially addressed (82%), and 36 (41%) issues were yet to be addressed.</li> </ul> </li> </ul>	<p style="text-align: center;"><b>2023/2024</b></p> <p style="text-align: center;">None</p> <p style="text-align: center;"><b>2024/2025</b></p> <ul style="list-style-type: none"> <li>• Furnish this committee with a detailed, time-bound action plan outlining the specific corrective measures Management will implement to address the deficiencies cited in the Internal Audit report.</li> <li>• It is noted that this matter was raised with the department in the previous reporting cycle, at which time a commitment was made to provide a quality assurance certificate. However, no evidence of this has been presented in the current report. Can the department clarify the status of the promised quality assurance certificate, and explain why there has been no apparent progress or change since the initial undertaking?</li> <li>• Clarification is requested regarding the process followed in the compilation of reports submitted by directorates on a quarterly basis. Specifically, are these submissions reviewed to ensure that they are complete, accurate, and verified prior to inclusion in the final report? Furthermore, what mechanisms are in place for the department to validate the accuracy of the information provided by the respective directorates?</li> <li>• This plan must guarantee that the finalization and tabling of the Annual Report are not compromised and must</li> </ul>	<p>All HODs will sign the certificate of Assurance / Declarations where they confirm that the information submitted for Annual Report is checked and accurate. On quarterly basis</p> <p>The HOD will sensitize the Office of The City Manager to follow-up with the HODs on High Level Compliance</p>

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
Internal Audit Report	Follow-up on High-level Compliance review of 2024/25 Draft Annual Report	None	Continued	None	<p>strictly adhere to the 26 March 2026 deadline for Council submission.</p> <ul style="list-style-type: none"> <li>Provide a comprehensive justification for the severe delay in receiving the Internal Audit report on the "Follow-up on High-Level Compliance review of the 2024/2025 Draft Annual Report," which was only circulated on 20 February 2026.</li> <li>This delay is unacceptable as it occurred after the Municipal Public Accounts Committee had already commenced its statutory oversight processes, potentially undermining the integrity and effectiveness of those proceedings</li> </ul> <p>Provide confirmation as to whether the Internal Audit report pertaining to the Follow-up on the High-level Compliance review of the 2024/2025 Draft Annual Report was formally presented to the Audit Committee for the requisite assurance.</p> <ul style="list-style-type: none"> <li>In the event that the aforementioned report was presented, Management is hereby directed to furnish a formal assurance certificate.</li> <li>Conversely, should the presentation not have occurred, Management is instructed to submit, without delay, a comprehensive explanation detailing the reasons for the omission, alongside a definitive plan of remedial actions to rectify the matter.</li> </ul>	Internal Audit, City Manager's Office
Annual Report-Presentation	Annual Performance Report (APR): Material misstatements not corrected <ul style="list-style-type: none"> <li>A Connected City - Various indicators</li> </ul>	None	<ul style="list-style-type: none"> <li>% of Land maintenance performed</li> <li>The information used to determine the achievement reported in the APR is not accurate and complete. The municipality is separated into three (3) regions inland, midland and coastal regions. Maintenance plans as well as maintenance jobs performed for coastal and inland were not considered in</li> </ul>	None	<ul style="list-style-type: none"> <li>Explain why Management failed to address this challenge over the past two years, particularly given the Auditor General's inability to verify the accuracy of reported achievements due to the absence of adequate supporting evidence and clearly defined measurement methodologies?</li> <li>can management provide an update on the progress made in implementing the required corrective measures and internal control improvements? Specifically, to what extent have the mechanisms to address these challenges been implemented.</li> <li>If these measures are not yet fully in place, what are the reasons for the delays, and what timelines have been set to ensure full implementation and prevent the recurrence of similar audit findings?</li> </ul>	Refer to Infrastructure (Electricity Department)

Page Reference	Section	Issue		Questions/Interventions/Recommendations		Management Response
		2023/2024	2024/2025	2023/2024	2024/2025	
			determining reported achievement		<ul style="list-style-type: none"> <li>Detail the specific mechanisms and internal controls Management is implementing to resolve these challenges and ensure the permanent prevention of such audit findings in the future?</li> <li>An explanation of how the internal controls around the Annual Performance Report will be fundamentally overhauled to ensure this level of misreporting never happens again.</li> </ul>	
Annual Report- Presentation	Appendices Pages 656 - 746	None	<ul style="list-style-type: none"> <li>Appendix B: Committees (other than Mayoral / Executive Committee) and Purposes of Committees</li> <li>Reflected Committees incorrect, not as per functioning structures and others are missing e.g. Ethics Committee</li> <li>Appendix E: Functionality of Ward Committees</li> <li>Reflected performance is incomplete</li> </ul>	None	<ul style="list-style-type: none"> <li>The Committee requires Management to formally submit the updated, validated, and quality-assured information without further delay.</li> <li>Please provide a definitive timeline for the submission of these materials to enable the Committee to proceed with its review and decision-making processes.</li> <li>Failure to provide this information promptly may result in delays that could impact organizational objectives.</li> </ul>	<p>Appendix B: Corporate Services</p> <p>Appendix E: The relevant office will fill in the incomplete areas as recommended not later than Friday 23/03/2026</p> <p>Appendix F1: Finance</p> <p>Appendix F2: The report on Basic Service Provision will be included as recommended</p> <p>Appendix F3: The report on Service Delivery Ward Priorities will be included as recommended</p> <p>Appendix G: Refer to Internal Audit.</p>
			<ul style="list-style-type: none"> <li>Appendix F1: Capital Projects: Seven Largest in Year 0</li> <li>Information reflected in report does not reflect Wards as required</li> <li>Appendix F2: Basic Service Provision</li> <li>No report included</li> <li>Appendix F3: Top Four Service Delivery Priorities for Ward (Highest Priority First)</li> <li>No Ward priorities reported on in report</li> <li>Appendix G: Municipal Audit Committee Recommendations</li> <li>Information reflected in numbers must be specific reflecting the actual recommendations by the Audit Committee and whether recommendations were adopted by</li> </ul>			