



Province of the
EASTERN CAPE
OFFICE OF THE PREMIER

OTP MEETING WITH THE MAKANA LM, COGTA, AND CONCERNED CITIZENS COMMITTEE TO SAVE MAKANA, HELD IN THE MAKANA COUNCIL CHAMBER ON 28TH JULY 2017 AT 11H00

1. Present (see the attached register)

- a. Mayoral Committee
- b. Makana Senior Management
- c. CCCSM
- d. OTP

2. Agenda (Please see the attached document)

3. The items below reflect the salient points on the inputs of the CCCSM, Makana LM and OTP during their presentations / reports in the meeting.

3.1. Input by the Concerned Citizens Committee To Save Makana (CCCSM)

- Lack of political will to implement things to be done
- Appointment of a Turnaround Strategist
- Invoking Section 139
- R47 million emergency funding requested – (Request by the CCCSM for the correct use of the funding as applied for)
- Amount owed to the municipality (R358m)
- Revenue of the municipality
- Water crisis – Plan

3.2. Report by Makana LM

- Payment done in ESKOM and the account is up to date
- Payment Plans are in place for the 3 large amounts of debts i.e. Auditor General, Department of Water and Sanitation and Amatola Water.
- REVCO has been appointed to deal with the debts that are more than 30 days
- Irrecoverable debt is being written off (a Council decision has been taken in this regard)
- The declaration of SBDM and its municipalities as Drought Disaster Areas is being addressed by the District and as a consequence of this a consultant (Aurecon) has been appointed to do the scoping of the work in the various municipalities that are affected..

3.3. Report on OTP and COGTA interventions

- The OTP did confirm that politically the municipality is stable, but administratively the municipality is challenged although strides have been made to ensure stability at the top management level (of course with the challenge of the MM hence Provincial and National COGTA are working on seconding a competent person to come and assist the municipality administratively – the tenants of the Turnaround Strategist as proposed by the CCCSM can be incorporated into the terms of reference of focus areas of such a person)
- The 2 departments i.e. OTP and COGTA together with Provincial Treasury (PT) are transversal departments that provide oversight, support and intervention to the various govt depts and municipalities when there is a need.

Below is the reflection on the forms of intervention that OTP and COGTA have made for Makana LM

- OTP has come in working with COGTA and Makana LM on ensuring a successful National Arts Festival i.e. by addressing the water provision related challenges of James Kleynhans and Settlers Dams.
- COGTA is working on the secondment of an Official to help the municipality with its Administration as it is currently experiencing challenges with the appointment of the MM – but it must be noted that if it was not for the legal challenge which resulted in a Court Interdict, the municipality will be having a MM being appointed already.
- OTP and COGTA have acknowledged and appreciate the process of stabilising the municipality administratively especially the Corporate Services Director being appointed by the Council (to assume duties on 01 August 2017).
- Provincial COGTA is waiting for a response from National COGTA to second a person to lead the Administration whilst there is still a challenge in the appointment of a MM; this matter is receiving a Provincial Government High Priority.
- OTP has charged COGTA with the responsibility of conducting a 'Post – Administration' monitoring in the municipality to check the implementation of the plans and or strategies that were developed by the previous 'administrators'. (The person that will be coming will also upon his/her assessment indicate the kind of support that the municipality requires)
- PT has been tasked, by the OTP and COGTA with the responsibility to ensure that the municipality is paid what is owed by the govt departments.
- There is a plan to assist the municipality with the road infrastructure i.e with DRPW

WAYFORWARD

- a) That the CCCSM be provided with a response, through a report, on the issues that they have raised.
- b) That the CCCSM must submit to the municipality how it will assist in the recovery of the more than R300m owed to the municipality.
- c) That when the Official to be seconded by COGTA comes in a platform be created to engage with the Makana Stakeholders on how to move Makana forward. (That's where CCCSM will also have an opportunity to make its submission of Turnaround Focus Areas)

- d) That the secondment of this official from COGTA be a matter of High Priority as the municipality is currently experiencing a challenge in the appointment of a MM.
- e) That the OTP, COGTA and PT will continue to provide the much needed support and intervention to Makana LM and report on regular basis.
- f) That the Municipality need to improve on its communication
- g) That the OTP circulate the minutes of the meeting to all the attendees of the meeting for recording and referencing purposes.

The meeting was closed at 13h25