



DRAFT MINUTES OF COGTA PORTFOLIO COMMITTEE MEETING HELD ON 20 MARCH 2020 AT 12H00, AT VIDEO CONFERENCE ROOM

ATTENDANCE

HON. MEMBERS : Chiliza, M A (Acting Chairperson)
Buthelezi, PATN
Harries, P P
Kunene, O B
Mtshali, T S
Singh, B
Zungu, MPP

DEPARTMENT OFFICIAL Joyi, Y (Acting CFO)
Mdadane, TA
Dinga, T
Mchunu, S
Mshengu, N
Nkosi, TP
Schmidt, W
Sekhesa, A
Shongwe, N

LEGISLATURE STAFF : Molefe, N (Committee Coordinator)
Mpisane, D
Mshengu, N

Padi, T

APOLOGIES : Mthembu, N R (Chairperson)
Manqele, E
Nkosi, S C
Ntuli, M
Sonjica, S
Twala, M
Hlomuka, S (MEC)
Tubane, T (HOD)
Adu-boahen, J (Treasury)

1. OPENING AND WELCOME

The Committee Coordinator tendered an apology of the Chairperson who was going to join the meeting late. She then conducted a process of appointing an acting Chairperson as per Rule 135 of the Standing Rule of the KZN Legislature. Hon. Zungu nominated Hon Chiliza to be the Acting Chairperson and the name was seconded by Hon. Mtshali. There were no other nominations and then Hon. Chiliza acted as the Chairperson of the meeting. He welcomed all presented at the meeting and ran the meeting as per the agenda items.

2. CONSTITUTION OF THE MEETING

The meeting was properly constituted.

3. ADOPTION OF THE AGENDA

The agenda was adopted with one amendment, that of removing the remarks by the MEC, as the MEC had tendered his apologies because he had to attend MINMEC on the same day. Hon. Mtshali moved for the adoption and was seconded by Hon. Zungu.

4. ADOPTION OF THE MINUTES

The minutes were adopted with the following corrections:

- Page 3 – under matters arising- Members were advised to read the documents on their on, not in their own
- Page 5 – first line, water supply was discussed at length, not **lengthy**
- Page 5 – paragraph 1 – achieve clean audit not **receive** clean audit.
- Page 5 – 6.2 – the budget structure of the department has not changed, not **change**
- Page 6 – second line, three towns that will benefit from, not **on**
- Page 6 – all issues will be in cooperated, not **cooperated**

Hon. Kunene moved for adoption of the minutes and was seconded by Hon. Zungu.

5. MATTERS ARISING FROM THE MINUTES

The DDG, Mr Mdadane reported that the department responded in writing to the following matters which arose from the last meeting held on 30 January 2020. The following documents formed part of the meeting pack:

- Departmental Audit Improvement Plan 2020/21
- Monthly Financial Statements
- Updated Fraud and Risk Plan

The reported were not interrogated at length by the Committee. The only question which was posed by the Committee was on Small Towns, if the department had managed to include the names of towns that will benefit from the programme. The department responded that the names of town were included in the Final APP.

6. DEPARTMENTAL REPORTS

6.1 2020/21 FINAL APP

Mr Mdadane did a high-level summary on the final APP and then handed over to Ms Mshengu who then took the meeting through the final APP for 2020/21.

She reported that the structure of the department had not changed and further outlined what each programme was responsible for. It was reported that alignment of priorities with the programmes and sub-programmes structure had also been ensured and plans were geared towards implementation by all programmes. As part of the department's strategic focus, the presenter stated that the following priorities derived for the electoral mandate and SONA:

- Priority 1 – A capable, ethical and developmental state
- Priority 2 – Economic Transformation and Job Creation
- Priority 3 – Education, Skills and Health
- Priority 4 – Consolidating the Social Wage through reliable and quality basic services
- Priority 5 – Spatial Integration, Human Settlements and Local Government
- Priority 6 – Social Cohesion and Sage Communities
- Priority 7 – A better Africa and World

The presenter then took the meeting through the departmental programmes and the priorities they were aligned to.

Deliberations

The Committee requested the department to confirm the number of municipalities where skills audit would be conducted, since the number appearing on the APP was 22 and the names of municipalities listed was 21. The department was requested to confirm the exact number of municipalities to benefit from the programme. The department committed to

do the exercise when they get back to the office. On page 14 of the APP presentation, the department was requested to rectify the error where it reflected that there will be an establishment of 11 Districts and Metro Development Hubs. That to change to 10 District and Metro. The Department noted the corrections to be made to the APP. The department was commended that it had since included a target on waste management since this was reported to be a challenge in many municipalities especially eThekweni which was reported to be the municipalities faced with such challenges at the present moment. The department reported that there was a meeting to be held with eThekweni regarding their waste management challenges.

The department was urged to make sure that the staff deployed to assist municipalities do transfer skills to the municipality staff during their stay in municipalities so that municipality staff are able to sustain themselves thereafter. The department confirmed that there will be value for money in the project and that the transfer of skills will be prioritized. The Committee commended the department on a clear APP presented and the programme of assisting unemployed youth. Implementation of the APP was emphasized by the Committee. When responding on the issue of proper implementation of the APP, the department stated that the department had a strong M & E unit that analyses and monitors the performance of the department.

6.2 2020/21 FINAL BUDGET

Mr Mdadane began by reporting to the Committee that the CFO, Mr Ndlovu had left the department and that there was an acting CFO by name of Ms Y Joyi who was to present the final budget. He then handed over to Ms Joyi to present the report. Ms Joyi presented the report as follows:

Ms Joyi began by reporting that there were budget cuts effected as per the resolution of the Provincial Executive Council. Slide 4 of the presentation reflected the budget cuts per programme. The presenter reported that the budget allocation for the department was R1 879 146 billion for the 2020/21 financial year.

Final allocation per programme was presented as follows:

- ✓ Programme 1 to receive R444 176 million
- ✓ Programme 2 was allocated R368 097 million
- ✓ Programme 3 allocated R486 722 million
- ✓ Programme 4 to be allocated R580 151 million

The presenter further highlighted what the budget included per programme. When reporting on the EPWP grant, the acting CFO reported that the department was allocated R2. 777 million in 2020/21 which was less than the R3.858 million received in 2019/20 due to budget cuts. The acting CFO assured the Committee that the APP was aligned to the budget.

It was reported that there was a roll-over of R24 million which was coming for the R100 million received by the department as a grant for the assessment of water infrastructure.

Deliberations

The Committee raised concerns that the budget cuts were to affect the filling of vacant posts, question asked by the Committee was that how was the department going to deal with the issue of filling of critical posts and how was it going to ensure that service delivery was not affected negatively. The department confirmed that despite the budget cuts, service delivery will not be compromised and that critical posts will be filled.

7. VOTING ON THE BUDGET

The Committee voted on the budget per party. Parties voted as follows:

DA – Reserved its rights

EFF(minorities) – fully supported the budget

IFP – Supported the budget

ANC – Supported the Budget

8. RESOLUTIONS

Committee **resolved: COGTA15/03/2020**

That the Department should correct the Final APP as per the corrections raised by the Committee.

9. CLOSURE

The Acting Chairperson declared meeting closed after all the items on the agenda had be concluded.

CHAIRPERSON

DATE