



**NCOP PRESENTATION ON SECTION 139 (1)(b)  
INTERVENTION AT MAKANA LOCAL MUNICIPALITY**

**AUGUST 2015**



**OVERVIEW OF THE PRESENTATION**

- **Background to Makana LM Intervention**
- **New Intervention at Makana LM**
- **Terms of Reference of the Administrator**
- **Conclusion**



## MAKANA LM BACKGROUND

- Makana Local Municipality experienced numerous challenges which led to near total collapse of the administration.
- Various measures were employed to rescue the situation in terms of Section 154 of the Constitution by various national and provincial sector departments including State Owned Enterprises.
- The Municipal Council acknowledged the extent of the challenges it was facing and in its Special Council Meeting of the 29<sup>th</sup> August 2014 resolved to request the department to intervene in terms of Section 139 (1)(b) of the Constitution.
- Further to this, the department through a cabinet memorandum and oral submission to the EXCO solicited the approval to the intervention.



## MAKANA BACKGROUND (Cont.....)

- The cabinet in its sitting of the 10<sup>th</sup> September resolved to approve the intervention in terms of the above stated section.
- In pursuit of the approval, the department appointed an Administrator, Ms. Pam Yako of Zenande Leadership Consultants with effect from 06 October 2014 to assume duties at Makana Local Municipality for a period of six months.
- The period of the contract for the Administrator ended on the 5<sup>th</sup> April 2015.
- On the 25 February 2015, the NCOP conducted its oversight visit to Makana LM
- The NCOP declared the intervention null and void due to failure by the department to comply with procedural requirements outlined in the Constitution.



## NEW INTERVENTION AT MAKANA LM

- Reflected in the report of the Select Committee of the NCOP on Cooperative Governance and Traditional Affairs published in the ATC of the NCOP of 25 February 2015 was that the reasons for the intervention still existed. An intervention was supported by the Select Committee as well as the various stakeholders consulted by the Select Committee.
- In its recommendations the Select Committee advised that the MEC for Cooperative Governance and Traditional Affairs should urgently regularize the appropriate intervention in accordance with all the legislative prescripts.
- In pursuit of this, the MEC requested for approval of a new intervention in the affairs of Makana LM
- The EXCO sat on the 17<sup>th</sup> of March 2015 and approved a new Section 139 (1) (b) intervention at Makana for an unspecified period as the situation had not yet come to the acceptable level of stability and proper governance in the municipality.



## NEW INTERVENTION AT MAKANA LM

- On the 17<sup>th</sup> March 2015 letters notifying the Minister, NCOP, Provincial Legislature and Provincial SALGA were written by the Premier and sent to the respective offices on the 18<sup>th</sup> March 2015. This was done in order to comply with procedural requirements outlined in the Constitution.
- In a letter dated 23 March 2015 from the Minister for Cooperative Governance and Traditional Affairs to the MEC, the Minister approved the intervention emphasising that the powers and executive functions of the Administrator should be as wide as possible.
- Zenande Leadership Consulting under the Directorship of Ms. Pam Yako was further contracted for a period of three months to implement the new intervention. This was done for purposes maintaining continuity.



## TERMS OF REFERENCE OF THE ADMINISTRATOR

- Below are the Key Executive Functions that the Provincial Executive took over and were delegated to the MEC and further forming the Terms of Reference of the Administrator:
  - **Corporate Services**, including recruitment process, appointment of Senior Management of the municipality, with Council retaining the power to make final approval only on the appointment of Senior Managers.
  - **Financial Management and Administration**, in particular credit control and debt collection, supply chain management and development of financial recovery plan.
  - **Infrastructure Development** and provision of basic services, in particular sanitation, water and storm water, municipal roads, sewer, solid waste disposal and electricity
- The contract of the Administrator has since come to an end on the 22 July 2015
- Subsequent to the end of the contract, the Department seconded a Senior Official – Mr. J. Gomomo to act as an Administrator who was introduced by the MEC to the Council in its Special Council Meeting of the 03 August 2015.



## CONCLUSION

- Currently the department is doing in-depth assessment of the state of affairs based on the close out report of the Administrator and other means of assessment
- The result of the assessment will inform the decision of the Provincial Executive on whether to continue or put an end to the intervention.



