

ITEM NUMBER: C 80/03/08

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 19 MARCH 2008

MC 65/03/08

OVERSIGHT REPORT IN RESPECT OF THE 2006/07 ANNUAL REPORTS FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES

*INGXELO YOHOLO LWENTSEBENZO YAMASEBE
NAMAZIKO KAMASIPALA KWIINGXELO ZONYAKA ZIKA-
2006/07 ZESIXEKO SASEKAPA KUNYE NAMAZIKO
KAMASIPALA*

**OORSIGVERSLAG MET BETREKKING TOT DIE 2006/07-
JAARVERSLAE VIR DIE STAD KAAPSTAD EN SY
MUNISIPALE ENTITEITE**

RECOMMENDED that the oversight report in respect of the 2006/07 annual reports for the City of Cape Town and its Municipal Entities be submitted to Council for consideration.

AANBEVEEL dat die oorsigverslag oor die uitstaande dele van die 2005/06-jaarverslae vir die Stad Kaapstad ter ooreweging aan die Raad voorgelê word.

KUNDULULWE ukuba ingxelo yohlolo lwentsebenzo yamasebe ngokuphathelene neengxelo zonyaka zowama-2006/07 zeSixeko saseKapa namaQumrhu aso kaMasipala azimeleyo, mayingeniswe kwiBhunga ukuze iqwalaselwe.

**REPORT TO COUNCIL FROM THE
STANDING COMMITTEE ON PUBLIC ACCOUNTS
[FUNCTIONING AS THE OVERSIGHT COMMITTEE]**

1 ITEM NUMBER : MC 65/03/08

2 SUBJECT

**OVERSIGHT REPORT IN RESPECT OF THE 2006/07 ANNUAL REPORTS
FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES**

**OORSIGVERSLAG MET BETREKKING TOT DIE 2006/07-JAARVERSLAE VIR
DIE STAD KAAPSTAD EN SY MUNISIPALE ENTITEITE**

**INGXELO YOHLOLO LWENTSEBENZO YAMASEBE NAMAZIKO
KAMASIPALA KWIINGXELO ZONYAKA ZIKA-2006/07 ZESIXEKO
SASEKAPA KUNYE NAMAZIKO KAMASIPALA**

3 PURPOSE

To enable the Committee to discharge its oversight responsibility in considering the City of Cape Town's annual report and those annual reports submitted by the municipal entities for 2006/07 in terms of Section 129 of the Local Government : Municipal Finance Management Act (Act 56 of 2003) (MFMA).

4 STRATEGIC INTENT

Good Governance and Regulatory Reform.

5 FOR DECISION BY

Council.

6 EXECUTIVE SUMMARY

6.1 MFMA Circular Number 32 recommends the establishment of an oversight committee for the detailed analysis and review of the annual report(s), following their tabling in Council, receiving and reviewing representations made by the

public, inputs from other councillors and council portfolio committees and then drafting an oversight report that may be taken to full council for discussion.

- 6.2 The Standing Committee of Public Accounts (SCOPA) is required to perform the responsibilities of the Oversight Committee as envisaged in MFMA Circular Number 32 and Section 129 of the MFMA. All Portfolio Committees were requested to consider the available components of the City of Cape Town's annual report and those annual reports submitted by the municipal entities for 2006/07, with a view to providing comments to SCOPA for inclusion in the oversight report to be prepared by SCOPA and adopted by Council on 27 March 2008. Relevant comments and resolutions made by the Sub-Councils and the Portfolio Committees, as well as those written representations / comments received from the community, are contained in the schedules **attached as Annexures B and C** respectively.
- 6.3 SCOPA considered the 2006/07 annual report of the City of Cape Town and its Municipal entities and raised any issues of concern with the Executive Management of the City of Cape Town at a meeting on 28 February 2008. The SCOPA resolutions flowing from this process are contained in the schedule attached as **Annexure A**.
- 6.4 In terms of Section 129 of the MFMA, the council must adopt an oversight report containing the council's comments on the annual report which must include a statement whether the council-
- a) Has approved the annual report with or without reservations;
 - b) Has rejected the annual report; or
 - c) Has referred the annual report back for revision of those components that can be revised.
- 6.5 In terms of MFMA Circular Number 32, in order to approve the annual report without reservations, council should be able to agree that the information contained in the report is a fair and reasonable record of the performance of the municipality in the financial year reported upon. Approval means that the executive and administration have discharged in full, their accountability for decisions and actions and that their performance meets the criteria set by performance objectives and measures and is also acceptable to the community.
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7 RECOMMENDATIONS

- a) That Council having fully considered the 2006/07 annual report of the municipality and representations thereon, adopts the oversight report; and
 - i) Approves the annual report without reservations.
 - b) That Council having fully considered the annual report of the municipal entity Cape Town International Convention Centre Company and representations thereon, adopts the oversight report; and
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- i) Approves that annual report without reservations.
- c) That Council having fully considered the annual report of the municipal entity, Khayelitsha Community Trust and representations thereon, adopts the oversight report; and
 - i) Approves the annual report without reservations.

7. AANBEVELING

- a) Dat die raad ná deeglike oorweging van die 2006/07-jaarverslag van die munisipaliteit, sowel as verhoë daaroor, die oorsigtelike verslag aanvaar; en
 - i) die jaarverslag sonder voorbehoud aanvaar.
- b) Dat die raad ná deeglike oorweging van die jaarverslag van die munisipale entiteit, die Kaapstadse Internasionale Konferensiesentrum-maatskappy, sowel as verhoë daaroor, die oorsigtelike verslag aanvaar; en
 - i) die jaarverslag sonder voorbehoud aanvaar.
- c) Dat die raad ná deeglike oorweging van die jaarverslag van die munisipale entiteit, die Khayelitsha Community Trust, sowel as verhoë daaroor, die oorsigtelike verslag aanvaar; en
 - i) die jaarverslag sonder voorbehoud aanvaar.

7 IZINDULULO

- a) Ukuba iBhunga, emva kokuba liqwalasele ingxelo yonyaka ka-2006/07 kamasipala kunye neengxelo ezenziwe ngomlomo ngabathunywa, liyayamkela ingxelo yohlolo lweziko; kwanjalo
 - i) liyayamkela ingxelo yonyaka ngaphandle kwesikrokro.
- b) Ukuba iBhunga, emva kokuba liqwalasele ingxelo yonyaka yeziko likamasipala i-Cape Town International Convention Centre Company kunye neengxelo ezenziwe ngomlomo ngabathunywa, liyayamkela ingxelo yohlolo lweziko; kwanjalo
 - i) liyayamkela ingxelo yonyaka ngaphandle kwesikrokro.
- c) Ukuba iBhunga, emva kokuba liqwalasele ingxelo yonyaka yeziko likamasipala i-Khayelitsha Community Trust kunye neengxelo ezenziwe ngomlomo ngabathunywa, liyayamkela ingxelo yohlolo lweziko; kwanjalo
 - i) iyayamkela ingxelo yonyaka ngaphandle kwesikrokro

8 DISCUSSION/CONTENTS

8.1 Constitutional and Policy Implications

8.1.1 The process is driven by legislation.

8.2 Legal Implications

8.2.1 Local Government : Municipal Finance Management Act, 2003 (Act 56 of 2003) (Chapter 12) (MFMA).

8.2.2 Local Government : Municipal Systems Act, 2000 (Act 32 of 2000) (Chapter 6), as read with the Local Government : Municipal Systems Amendment Act, 2003 (Act 44 of 2003).

8.2.3 Local Government : Municipal Structures Act, 1998 (Act 117 of 1998).

8.3 Other Services Consulted

Nil.

8.4 Background

8.4.1 MFMA Circular Number 32, issued by National Treasury on 15 March 2006, provides guidelines on the preparation of an oversight report in respect of a municipality's annual report and those of its municipal entities. The processes recommended, *inter alia*, as well as the principles to be followed, in terms of the Circular are:

- (a) The establishment of an **oversight committee** under Sections 33 and 79 of the Municipal Structures Act, 1998. This committee and, if needed, sub-committees could be responsible for the detailed analysis and review of the annual report(s), following their tabling in Council, and then drafting an oversight report that may be taken to full council for discussion. Such a committee may receive and review representations made by the public and also seek inputs from other councillors and council portfolio committees.
- (b) The oversight committee should be comprised of only non-executive councillors and community representatives. Municipal officials cannot be members of an oversight committee as this would pose a conflict of interest

- 8.4.2 The Standing Committee of Public Accounts (SCOPA) is required to perform the responsibilities of the Oversight Committee as envisaged in MFMA Circular Number 32 and Section 129 of the MFMA. All Portfolio Committees and Sub-Councils were requested to consider the available components of the City of Cape Town's annual report and those annual reports submitted by the municipal entities for 2006/07, with a view to providing comments to SCOPA for inclusion in the oversight report to be prepared by SCOPA and adopted by Council on 27 March 2008.
- 8.4.3 Following the tabling in Council on 30 January 2008 of the City of Cape Town's annual report and those annual reports submitted by the municipal entities for 2006/07, a notification was placed in the local newspapers (daily and community papers), advising the community of their accessibility on the City's website, at the City's libraries, subcouncil offices and Cape Town Civic Centre, and inviting written representations or comments in respect thereof in terms of Section 127 (5) of the MFMA. Written representations / comments received by the closing date of 28 February 2008 are contained in the schedule **attached as Annexure C**.
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ANNEXURES

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- Annexure A : Schedule containing comments and resolutions from SCOPA
- Annexure B : Schedule containing comments from the Portfolio Committees and Sub-Councils
- Annexure C : Schedule containing written representations / comments from the community

FOR FURTHER DETAILS CONTACT :

NAME	Rozan Jaftha
CONTACT NUMBERS	021) 400 3165
E-MAIL ADDRESS	Rozan.jaftha@capetown.gov.za
DIRECTORATE	Internal Audit



DIRECTOR : LEGAL COMPLIANCE

LEGALLY COMPLIANT

NON-COMPLIANT

COMMENT :

DATE 11/03/2008



CHIEF AUDIT EXECUTIVE :

Comment:

DATE 11/03/08

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COMMENTS AND RESOLUTIONS FROM THE SCOPA COMMITTEE IN RESPECT OF THE 2006/07 ANNUAL REPORT FOR THE CITY OF CAPE TOWN AND THOSE FOR THE MUNICIPAL ENTITIES

Meeting	Date of meeting	City of Cape Town Annual Report	Municipal Entities Annual Report	Reference
SCOPA	28 February 2008	<p>Recommended to Council: That, Council having fully considered the 2006/07 annual report of the municipality and representations thereon, adopts the oversight report and approves the annual report, without reservations and note the following resolutions adopted by SCOPA:</p> <p>CHAPTER 1: INTRODUCTION AND OVERVIEW</p> <p>Page 8: Capital Expenditure - The City's level of expenditure needs to increase and measures should be put in place to ensure an increase in capital expenditure.</p> <p>Page 9: Unfunded Mandates – An investigation must be undertaken to address the issue of unfunded mandates in the City</p> <p>Page 9: Councillor Arrears – SCOPA requested a report from the Speaker regarding what actions are being taken to deal with Councillors who are in arrears.</p> <p>Page 16: Public Participation - SCOPA expressed concern regarding the low levels of public participation and recommended that annual reports should be made more user friendly to assist illiterate communities and the public meetings should be attended by officials who are able to speak the local dialects</p>	<p>Recommended to Council: That, Council having fully considered the 2006/07 annual report of the municipal entities and representations thereon, adopts the oversight report and approves the annual report, without reservations and note the following resolutions taken by SCOPA:</p> <p>COMMENTS FROM FINANCE DIRECTORATE</p> <p>Khayelitsha Community Trust</p> <p>Report of the Auditor General - Provision was made within the financial statements for the placement of the Report of the Auditor General however it has been included in a separate chapter. It is recommended that the placement of the Report of the Auditor General must be corrected in the next</p>	

	<p>CHAPTER 2: PERFORMANCE HIGHLIGHTS</p> <p>Page 25: Lack of project managers – SCOPA noted with concern the lack of skilled project managers as this issue had been raised at a Housing Portfolio Committee</p> <p>Page 33: Intergovernmental Liaison -SCOPA noted with concern the lack of inter-governmental liaison regarding housing</p> <p>Page 39: Service Delivery Backlogs – SCOPA noted with concern the sanitation backlogs and the spending on the renewal of the existing infrastructure should also be interrogated</p> <p>CHAPTER 3 – HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT</p> <p>REPORT OF THE AUDITOR GENERAL</p> <p>SCOPA resolved that items 13 (Time Theft), 14 (Duplicate Wage Payment) and 15 (Arrear Staff Debtors) in the Auditor General's report be subject to an investigation by SCOPA in terms of Section 32 (2)(a)(ii) of the MFMA and that Corporate HR and Finance submit a report to SCOPA on these matters</p>	<p>annual report.</p> <p>Section 124 (2) of the MFMA - Information is recorded within the notes of the Financial Statements. It is recommended that compliance with the full requirements of section 124 (2) of the MFMA be contained in the 2007/08 annual report</p> <p>Qualification of the financial statements- The qualification of the Auditor General on the possible taxation and VAT liabilities of the Trust is a concern. It is recommended that this matter be resolved as soon as possible and measures be put in place to avoid such liabilities in future</p> <p>Assessment of the Accounting Officer - The objectives of the KCT has been defined but it appears that none of the objectives have been met. This may be due to the fact that there was no administrative support for the Trust during the 2006/07 financial year. Progress in</p>
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	<p>this regard should be reviewed in the 2007/08 financial year. It is recommended that reliance not only be placed on the comments contained in the "Reason for variance and remedial action" column as the assessment of the Accounting Officer of the Entity's performance as required in Section 121(4)(d) of the MFMA should be included in the annual report</p> <p>Performance Report - The Performance Report indicates that very little was spent on the 2006/07 Budget Provision. It is recommended that measures be put in place by the Trust to ensure that delivery takes place against the set objectives using the funding provided</p>		
	<p>Cape Town International Convention Centre</p>		
	<p>Compliance with S124 (2) of the MFMA - The Auditor General's report noted that the full reporting requirements</p>		

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	<p>regarding the disclosure of salaries, allowances and benefits as contained in S124(2) of the MFMA has not been adequately disclosed. It is recommended that compliance with the full requirements of section 124(2) of the MFMA be contained in the 2007/08 annual report</p> <p>Audit Committee Report – There is no report from the Audit Committee as required by legislation. It is recommended that the CTICC address this matter in the 2007/08 Annual Report</p> <p>Assessment by the Accounting Officer – Section 121(4)(d) of the MFMA requires that the Annual report contain an assessment of the Accounting Officer of the entity's performance against measurable performance objectives. It is recommended that subsequent annual reports should deal with this matter more explicitly</p>
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ANNEXURE A

	<p>Annual report of the CTICC – The complete annual report of the CTICC consist of two reports, both called Annual reports. One report covers the performance of the Convention Centre and some high level financial information, the other report contains the Annual Financial Statements and the report of the Auditor General as required by legislation. It is recommended that the two "Annual Reports" must be issued as a single annual report in future to comply with legislative requirements</p>	
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MINUTES OF THE MEETING OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) OF THE CITY OF CAPE TOWN, HELD IN MEETING ROOM 1, 6TH FLOOR, PODIUM BLOCK, CIVIC CENTRE, CAPE TOWN ON THURSDAY, 28 FEBRUARY 2008 AT 10:00

PRESENT:**MEMBERS:**

Cllr P Gabriel (ANC) (Chairperson)
 Cllr D Schäfer (DA)
 Cllr P Gouws (ID)
 Cllr M Mnqasela (DA)
 Cllr P Hill (DA)
 Cllr F Steenkamp (DA)
 Cllr M Labase (ANC)
 Cllr S Bayat (AMP)

ABSENT WITH APOLOGY:

Cllr P Chapple (DA)
 Cllr W Hlazo (ANC)
 Cllr N Klaas (ANC)
 Cllr D Mocke (DA)

ABSENT WITHOUT APOLOGY:

None

OTHER COUNCILLORS:

None

OFFICIALS:

A Ebrahim	City Manager
M Marsden	Service Delivery Integration
B Msengana	Utility Services
E Chinnappen	Transport, Roads & Stormwater
L Mtwazi	Community Services
P Van Zyl	Strategy & Planning
M Mohamed	Economic Social Development & Tourism
M Richardson	Finance
H Smit	Housing
D Tshangela	Safety & Security
I Toms	Health Services
D Beretti	Corporate Services
Z Abrams	Internal Audit
R Jaftha	Internal Audit
S Green	Internal Audit

R Vosloo	Internal Audit
C Maurer	Forensic Services
V Botto	Forensic Services
S L Venter	Finance
L Mbandazayo	Legal Services
W Claassens	IDP/Performance Management
S Msengana	Corporate Services
B Van Schoor	Finance
L Muller	Finance
O Muller	Utility Services
R Keraan	Utility Services
S van der Schyff	Executive Support

PUBLIC AND PRESS:

J Diedericks	Office of the Auditor-General
C Davids	Deloitte (on behalf of A/G)
A Powell	Cape Times
L Dentlinger	Cape Argus

SCOPA 01/02/08 OPENING AND PRAYER/MOMENT OF SILENCE

Cllr P Gabriel welcomed the councillors, officials, representatives from the Auditor-General's office, the media and particularly the City Manager and members of the Executive Management Team present at the meeting. He thanked the City Manager and senior officials for making themselves available. A moment of silence was observed at the request of the Chairperson.

SCOPA 02/02/08 APPLICATIONS FOR LEAVE OF ABSENCE

The Committee was advised that Cllrs D Mocke, P Chapple, M Hlazo and M Klaas had tendered apologies in respect of the meeting.

RESOLVED that the apologies be **NOTED**.

For noting: T Albertyn

SCOPA 03/02/08 ANNUAL REPORT 2005/06 (OUTSTANDING COMPONENTS) AND ANNUAL REPORT 2006/2007 : OVERSIGHT REPORT

Annual Report 2006/2007

The Chairperson gave an overview of the process relating to the consideration of the outstanding components of the 2005/06 Annual Report viz. SCOPA has submitted an Oversight Report on the available components of the 2005/06 and will now

consider the components not available previously. The Annual Reports from the municipal entities will also be considered. The Annual Report in respect of 2006/07 report has been submitted to the Portfolio Committees, Subcouncils, Mayco and Council and has been advertised for public comment. Comments have been received from the public, Portfolio Committees and Subcouncils. He was of the view that a more effective method of communicating with the public around the City's annual report should be found to ensure greater public participation and to enable the public to make meaningful input.

Cllr D Schäfer referred to Page 7 (Strategic focus – second paragraph) and enquired whether all employees have in fact been successfully placed. Dave Beretti responded that the intention of the process was to ensure that all employees are issued with a proper placement letter, with clear job functions and reporting lines. Regular reports are submitted to the Corporate Services and HR Portfolio Committee and at present there are only 6 employees who have not been successfully placed in the organisation. Cllr Schäfer was of the view that the statement contained in the paragraph in question was misleading. She requested that the sentence be amended in the final Annual Report to reflect that the vast majority and not all staff have been given placement letters. With regards unfunded mandates (Page 9) Cllr Schäfer asked what communication has been pursued with Province in this regard and what action/intervention can be taken in the future. The City Manager advised that a Task Team, headed by Province has been resuscitated to review unfunded services *inter alia* health and library services. This is a national issue in terms of funding. Currently these services are being managed by way of Service Level Agreements in terms of services being rendered by the City and PAWC's responsibility. Discussions in this regard are ongoing; however, a resolution to this matter is not expected in the short-term. Cllr Schäfer proposed that a formal investigation be undertaken to address the issue of unfunded mandates.

The Committee commended officials for the improvement in capital expenditure (Page 8). The Committee, however, added that the City's level of expenditure needs to increase and stated that measures should be put into place to ensure an increase in capital expenditure. The City Manager acknowledged that despite the increase in expenditure over the period under review, the figure should be improved. Mechanisms have been put into place to ensure an improvement in CAPEX. This involves procurement processes and the City's capacity to generate tender bids that will lead to increased expenditure. In terms of supply chain management processes, all mechanisms have been put into place. There has been an improvement in the organisation's ability to procure the capacity required by

directorates. Issues regarding grant funding and its impact on the City's budget have been discussed with national treasury. National Treasury has approved the exclusion from the budget of any promised grants not received in writing. These amounts account for up to 10% of the budget. The City's approach going forward will be on this basis.

Cllr Hill asked whether legally councillors are able to make arrangements for repayment of arrears (Page 9). Mr L Mbandazayo responded to the enquiry and elaborated on the internal mechanisms in place to deal with councillors who are in arrears. Cllr P Hill suggested that SCOPA request a report from the Speaker regarding what actions are being taken to deal with councillors who are in arrears. With reference to the Indigent Register (Page 9) Cllr M Mngqasela stated that in reality residents are still required to pay off their current accounts before being able to make arrangements to pay off arrears. He commented, in regard to Page 41 (Expanded Public Works Programme) that people with disabilities are still being excluded. Cllr Mngqasela referred to Page 42 and commended officials for the urban renewal project in Khayelitsha and the infrastructure upgrade taking place in the area. He expressed his concern at the sanitation backlogs (Page 47). The absence of a budget in respect of these services was problematic. He was of the opinion that the issues relating to the renewal of existing infrastructure should be interrogated. Mike Richardson outlined the principle on which the Indigent Policy is based and furthermore responded to the enquiry regarding the Credit Policy and the manner in which it operates in terms of the payment of current accounts and the repayment of arrears.

Cllr P Gouws referred to Page 11 and asked, in terms of economic challenges facing the City, what was envisaged with transportation in the future. Mr E Chinnappen stated that the Integrated Transport Plan (5-year plan) will focus on providing infrastructure to promote people movement in terms of public transport and dedicated lanes etc. One of the corporate indicators in the IDP is to reduce commuter travel time. Regarding major infrastructure networks, Cape Town compares relatively well to other metros. The introduction of an Infrastructure Asset Management Plan is being considered by the Transport, Roads and Stormwater Portfolio Committee. In terms of local maintenance the City has a huge challenge in this area in terms of cost.

The Chairperson referred to Page 17 (Public needs) and expressed his concern regarding the low levels of public participation and asked what steps were envisaged to improve this area. Willem Claassens advised that Subcouncils are being engaged extensively in the process, via FOCOS and other

creative solutions are also being examined. Mr M Marsden reported that there had been significant community involvement on components of the IDP; this information is not included in the report. The Executive Management Team has established a Strategy and IDP Sub-committee to improve the public engagement process. The Chairperson requested that information on alternate forms of participation, as referred to by Mr Marsden should be included in the report in future. Cllr S Bayat asked if future annual reports could be more user-friendly to assist the illiterate communities e.g. pictures. Cllr Mngqasela added that there had been a suggestion from his Subcouncil that the form of public participation could be increased/expanded to address language impediments e.g. the use of pictures and furthermore that the public meetings be attended by officials speaking local dialects.

Cllr P Hill stated that the Economic Social Development and Tourism Portfolio Committee had made corrections/amendments to the Annual Report and enquired whether these changes had been forwarded and noted (Page 23). It was confirmed that the proposed changes had been communicated to the relevant department and that these changes would be incorporated into the annual report. Cllr Schäfer referred to Page 33 (continued inter-governmental challenges) and noted with concern the lack of inter-governmental liaison regarding housing and asked whether this process could be speeded up. Cllr Schäfer further referred to Page 34 and asked why the Philippi East Trading Company had not been wound up. Mike Richardson advised that the problem is a tax issue that is being dealt with which is the cause of the delay. Consultants have been engaged to assist the City in this matter. With regards Page 47 (sanitation backlogs) she enquired why the information was not available. Dr B Msengana replied that the information had been supplied but had not been included in the report. He will ensure that this information is made available.

Cllr P Gouws referred to Page 28 (continuing Safety and Security challenges) and enquired what solution is being applied to the staffing problems within Law Enforcement and Traffic Services. Adv D Tshangela agreed that there was a shortage of staff. The restructuring process within the service has not yet been completed. A report which is to be submitted to the Safety Portfolio Committee will deal with unfunded vacancies. The City Manager commented that the staff shortages in the Safety and Security directorate form part of the corporate staffing strategy debate. The ORP in respect of the Metro Police and Traffic Services has taken longer to finalise. The organisational structure in respect of these services is currently in the process of being populated. Regarding 2010 (safety strategy) the City will be adequately equipped to deal with security issues in

collaboration with other agencies. Mr Marsden elaborated on the 2010 footprint and pointed out that in terms of public safety, the lead agency is the SAPS. An extensive modelling exercise was undertaken and the findings suggest that the footprint i.e. the stadium, immediate surrounds, a Fan mile from the stadium to the Grand Parade and the major viewing sites in Athlone, Philippi and Bellville can be delivered.

Cllr Hill referred to Page 34 (Khayelitsha Community Trust) and proposed that the KCT be requested to do a presentation to SCOPA in May 2008. The City Manager advised that the KCT now has a Chief Executive Officer and that such a presentation could be arranged. Cllr Labase referred to Page 25 (Paragraph 3) and pointed out that the issue of the shortage of project managers had been raised at the Housing Portfolio Committee meeting. He asked what the status was of the land audit previously requested in addressing the housing backlog. Cllr Labase further asked what percentage of households was still not receiving basic services. Mike Marsden advised that with regards the provision of basic services to informal settlements the critical areas include the provision of sanitation and electricity, particularly in Khayelitsha. A prioritised programme is in place to eliminate the backlogs. The EPWP has put in place a model to enable detailed targets to be set for each department. The current mid-year review reflects that EPWP targets have been exceeded in respect of job creation as at December 2007. Hans Smit reported on the delivery of the houses as outlined in the report and elaborated on the process to address the housing backlog and the accessing of land for housing purposes. Cllr Gabriel referred to waste management (page 29) and asked what was planned going forward regarding landfill sites and recycling/greening initiatives. Rustim Keraan advised of the initiatives undertaken by the department in terms of the roll-out project initiated in 2007.

Cllr Gabriel referred to Page 66 and asked whether the City complied with the Employment Equity Act and how directorates are being monitored to ensure compliance with the Act. Dave Beretti advised that regular presentations regarding employment equity are made to the Executive Management Team. Cllr Gabriel requested that an Equity Plan be made available to the Committee. It was agreed that an Equity Plan/report be submitted to the Committee.

Cllr Schäfer referred to Page 78 and drew attention to the erroneous reflection of the Mayco members as Chairpersons of the Portfolio Committees. She further referred to Page 145 (items 13 and 14) and asked what corrective measures were taken regarding time-theft and arrear staff debtors. Lodi Venter reported that insofar as time-theft was concerned, the problem

related to inadequate control over the signing on and off of staff before salaries/ wages are paid. The problem was identified and referred to the HR department. The matter will have to be reported to SCOPA in view of the unauthorised expenditure. Dave Beretti commented that the introduction of the electronic time and attendance system should help to manage the problem. The issue of staff arrears arose as a result of staff resignations taking place, where the relevant departments are not timeously notified and payments are still processed. This issue will have to be investigated further (recovery). Better controls will need to be implemented in the future. Cllr Hill pointed out that time-theft is the responsibility of line managers and enquired whether there was a lack of understanding regarding managing people in this regard and asked how this will be addressed. Dave Beretti responded that management and supervisory training was critical and that the inadequacy/deficiency of the control system was realised. The Business and Re-engineering Sub-committee will report on this matter. The control system has improved as evidenced by the increase in leave applications following the roll-out of the electronic time and attendance system. The Labour Unions have appealed against the introduction of the electronic time and attendance system.

NOTED.

1. RESOLVED

That the Annual Report 2006/2007 be noted.

- 2. FURTHER RESOLVED** that items 13, 14 and 15 (Page 145) in the report of the Auditor-General be subject to an investigation by SCOPA in terms of Section 32 (2)(a)(ii) of the MFMA and that corporate HR and the Finance directorate be requested to submit a report to the Committee on these matters.

Action: Z Abrams / R Jaftha / S Green / D Beretti / L Venter

OUTSTANDING COMPONENTS OF THE 2005/06 ANNUAL REPORT IN RESPECT OF THE CITY OF CAPE TOWN

RESOLVED

That the outstanding components of the 2005/06 Annual Report be **NOTED**.

Action: Z Abrams / R Jaftha / S Green

RESOLVED

That the Annual Reports for Municipal Entities 2006/2007 be
NOTED.

Action: Z Abrams / R Jaftha / S Green

SCOPA 07/02/08 DATE OF NEXT MEETING

It was noted that the next meeting is scheduled for 13 March
2008.

NOTED.

THE MEETING ENDED AT 14:00

CHAIRPERSON.....
CLLR P GABRIEL



DATE.....

13/3/08

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**Comments from portfolio committees and subcouncils on annual reports
2006/07**

Number	Portfolio Committee	Comments
1	Finance	Annual report 06/07 was noted – no comments
2	Transport	Was noted – no comments
3	Corporate Services & HR	Was noted – no comments
4	Housing	Was noted – no comments
5	Utility Services	The committee indicated that it wished to commend the Directorate of Utility Services regarding the equitable and effective service delivery achieved thus far.
6	Amenities & Sport	Was noted – no comment
7	Economic & Social Development	Mr Siganda to ensure that all changes made to the Econ Dev sections of the 2006/07 annual report are submitted for alteration. ANNUAL REPORT 2006/07 RESOLVED that the Annual Report for 2006/07 be noted.
8	Safety and security	Was noted – no comment
9	Health	Was noted – no comment
10	Planning & Environment	Was noted – no comment
Number No	Subcouncil	Comments
1	<i>Nxele Makana Sub-council 9</i>	Kindly note that the Sub-council resolved to defer this matter to a later date. The reason being the fact that they wish to discuss first with the Khayelitsha Community Trust before making a submission to the Corporate process. With regards to community input, no one came to peruse the document at our offices and there was no member of the public who indicated an interest to make a submission.
2	Subcouncil 7 Koeberg	The matter serviced on the agenda of Subcouncil 7 -

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		Koeberg this morning. No person applied for an opportunity to comment on the report and the Subcouncil NOTED the matter.
3	Subcouncil 2 Bergdal	No comments from public. Sub Committee consisting of Councillors Groenewald, Sawant Coordinated by Cllr Green will workshop the Annual Reports. Feedback to be forwarded by before the 28 February 2008.
4	Subcouncil 15	There was no request made to Subcouncil 15: Pinelands by organisations for submissions of public comments on the annual report 06/07.

CITY OF CAPE TOWN

PUBLIC COMMENTS ON THE 2006/2007 ANNUAL REPORT

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ANNEXURE D

SUB-COUNCIL	WARD NO.	VOLUME & PAGE REFERENCE IN REPORT	ISSUE	COMMENT
18	72	Annual Report		
Rondelei		Page 204	Disposal of Municipal Property	Before being put out to tender a public exercise of participation should be undertaken especially with organized society structures
		Page 219	Consumer Debt	It is counterproductive to constantly write off debt. More stringent measures of debt recovery must be implemented. What plan is in place to prevent and decrease growth in debtors balance
		Page 223	Non-compliance with MSA	There is absolutely no excuse for this default. There is a lack of community involvement. How can the community become involved
		Page 220	Underspending of CAPEX	This is indicative of the (i)lack of commitment (ii) lack of capacity and (iii) disregard for the quality of life of the City's people. An immediate remedy is needed. What remedial measures are going to be put in place. What is the surplus used for.

CITY OF CAPE TOWN

PUBLIC COMMENTS ON THE 2006/2007 ANNUAL REPORT

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ANNEXURE B

SUB-COUNCIL	WARD NO.	VOLUME & PAGE REFERENCE IN REPORT	ISSUE	COMMENT
4	28	Chapter 1 Page 6	Introduction & Overview	Does not improve Council's objective to create a better life
		Chapter 2 Page 26	Parks	Poor conditions due to lack of funding / maintenance
		Chapter 1 Page 13	Housing & Shelter Conditions	<ul style="list-style-type: none"> • Money allocated for housing not utilised effectively and efficiently • Rented dwelling not properly maintained • Poor service delivery
		Chapter 2 Page 45	Backlogs in Service Delivery	Not enough is being done to eliminate backlogs
		Chapter 2 Page 29	Electricity	<ul style="list-style-type: none"> • Employ contractors that are properly trained in their specific field • Move away from privatisation • Be fair and equal
		Chapter 1 Page 15	Health	Monitor and develop plans for reducing TB and infant mortality rate
4	28	Chapter 2 Page 26	Sports & Recreation	Building of swimming pool

CITY OF CAPE TOWN

PUBLIC COMMENTS ON THE 2006/2007 ANNUAL REPORT

SUB-COUNCIL	WARD NO.	VOLUME & PAGE REFERENCE IN REPORT	ISSUE	COMMENT
		Chapter 2 Page 26	Parks	More playing facilities for the children of the community
		Chapter 2 Page 27	Safety & Security	Away with drugs Visibility of Metro Police & SAP
4	28	Chapter 1 Page 17	Public Needs	Recreational facilities required to cater for children and youth
4	28			Included in the written page for P.A.C.E on their comments
4	28	Chapter 2 Page 45	Backlogs in Service Delivery	More jobs available to unemployed skilled people
		Chapter 2 Page 26	Parks	Council should increase funding for fruit & veg gardens
		Chapter 1	Public needs	Tendering process to be made more known to general public

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ANNEXURE B

CONCERN RESIDENT OF SPRING FOREST

Good Morning to each and everyone present at this meeting.

per Form on ca.

I would like to raise my view regarding the Annual ~~Financial~~ Report of 2006/07. In general this statement doesn't improve council objective to create a better life for all. Big loads of money allocated for housing are not use even thou council identified areas and amounts of home that has been build before the next budget year. The existing Council rented houses aren't been service properly because council doesn't have a confirmed maintenance policy regarding service delivery to those houses. eg. Houses older than thirty years still got the same putty on the windows. People still have to wait a month - years before their complaint are been address.

Our roads are a disgrace with potholes and at some places no pavement (reason) because not enough money are available. Our parks and fruit gardens are in a poor state because of lack of funding. Not enough are been done to eliminate any back logs even thou lots of money are available, but because of some reason those monies are been rolled over to the next financial year to resolve this, more public participation program must be allow, but because of lack of communication between council and the communities there is this rollback of money every year. The City must also look seriously into the electricity crisis which was identified years ago. Council must really screen the services provided they are using because majority of contractors do more damages to our properties than fix it. Move away from privatization and employed local qualified people of the community permanently as in the past. Because failure of tenders are on the shoulders of political, indifferences and community unrest. Sometimes tenders and grand in aid are Gwen to organization or persons who don't qualify but as long as you know the right persons or belong to the right political party you survive. Our parks and open spaces are also terrible because council don't want to pay people to keep it clean. Council must also look seriously at the increase of the T.B in the communities with it the whole Health department by monitoring and developing of plans for the reducing infant mortality rate. Make money available for more sustainable projects where by the community could benefit from, like the fruit & veg gardens. Improve more the Bio diversity network. Strengthens the Local Economic Development Projects. Our sport field 68% Beaches 94%, cemeteries 71% must also been properly look after.

Chairperson with this few remarks and observation I would like to thank you for the opportunity to raise my views.

Thank you again.



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UNEMPLOYED WORKERS FORUM OF ELSIES RIVER

Project-Co-coordinator: Althia Lewis
Cell: 072 4295 118

Secretary: Jeffrey Olifant
Cell: 073 4855 365



LOCAL DEVELOPMENT.

Good Morning Chairperson, Counselors and everyone present at this meeting.

Chairperson after screening the annual performance of 2006-07. We as an organization must use this opportunity to express our views and concerns regarding this performance of council. I want to thank council for putting a process of tendering for job in place because it allowed some people to put bread on their tables, but we also would like to raise our concern regarding the tendering process. We notice that some of the tenders goes to people who doesn't qualified for that tender because they don't even has a business plan or even a Ref nr. Your people isn't actually catering for the poorest of the poor. We also notice that the tendering process are link with Councilors, Political and family involvement. The unemployed rate is so high in the Western Cape in General that those processes in not acceptable. Council must really look at this issue of unemployment because we observe that even the informal traders who tried to make a living on their own became council target.

We also request that the tender process must be review to make it more understandable and accessible for the community. Council must increase their fight against unemployment because that are one of the key reasons why crime is so high in our community. Council must also increase the funding for fruit & veg gardens to create more employment for our community. If council are concern, or seriously about the upliftment of the community we request that council followed the about mentioned roots.

Way forward

Council must invest in a Extensive skills development / Learnships for matriculants. Employed skilled people who are unemployed to reduce the complains of poor service delivery.

With this few words I again thank council for giving us the opportunity to forward my views and concerns.

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ELSIES RIVER PEACE FORUM

no 1 ALICE DALE COURT, LEONSDALE, ELSIES RIVER, 7490

Chairperson: Lorraine August

Secretary: Anita Visagie

Tel: (021) 933 4423



Kommentaar oor die Stad se Werkverrigte soos in die jaarverslae
Voorsitter van Sub-Raad 4 en alle Councillors

Op my beurt wil ek graag die volgende as kommerwekend in u aandag bring.

Met die werkverrigting in die jaarvergadering sien ek dat stigting van 'n plaaslike aksie komitee. My vraag op so 'n komitee is watter insig het die gemeenskappe gekry en of daar uitnodigings uit gestuur is na die gemeenskap as 'n belangrike rolspeler in die bekamping teen drugs, want dus dieselfde gemeenskappe wat ly onder hierdie donker era van drug misbruik. Wat ons vrae is dat die gemeenskap benader word met hierdie bekampings veldtog. Op die proses van die verkoop van drugs op raad huise sê ons dat die proses moet hersien word of bespeoedig word want in 2007-2008 was baie huise geïdentifiseer maar uitsettings van so 'n smokkel bedryf is nie spoedig en suksesvol opgelos nie. Met verkeer kontrol teen hoe spoed vrae ons vir die monitering op ons paaie. Die metro polisie meer sigbaar wees, nie net vir pad bewaring nie maar ook vir die bekamping teen drugs in ons gemeenskappe.

Hierdie eenheid moet nie net gemeenskappe patroleer vir beboting van ons arme gemeenskap motoriste nie maar ook help veg vir gemeenskap veiligheid. Ophoping van vuilnis op ope velde moet aandag kry. Oprig van parke waar nodig is in gemeenskappe waar kinders in die paaie moet speel. Maar moet nie net fokus op die oprig nie maar ook die bewaring van hierdie parke.

Laastens wil ek ook vrae oor die Elsies Rivier swembad. Ons kinders moes hierdie somer seisoen sonder hierdie swembad klaar kom. Die vroeg is wanneer sal Elsies swembad voltooi word vir die volgende seisoen.

Volgens hierdie uitnodiging vir kommentaar hoop ek dat ons sal terug veering kry vir ons kommentaar en vrae.

Baie dankie vir hierdie geleentheid.



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COMMUNITY KIDZ OUTREACH

33 Snaresbrook Road, Epping Forest, Matroosfontein, 7490.

Tele / Fax: (021) 933 4418 / 073 301 1046

20 February, 2008.

The Chairperson,
Honourable Councillors,
Members of the Public.

re: Absence of Recreational Facility in Epping Forest.

We as a community based NPO in Epping Forest are focusing on the holistic needs of kids (6 - 12 years) and youth (13 - 18 years). We regret to notice that the City's Annual Report is silent on the matter of Recreational Facilities for our kids & youth in Epping Forest. Our kids & youth find it dangerous to venture outside of Epping Forest after normal school hours. A few of the services we render to them are Creative Skills (artwork, beading, painting etc.), Life Skills (workshops on TB & HIV/AIDS awareness, Teenage Pregnancies, Substance Abuse etc.), Social Values (team building projects, peer pressure management etc.) and After Care Activities.

At present we are operating from our house which has become too small for the growing number of kids (100) & youth(50). Weekly we operate a soup kitchen on a Thursday afternoon since January 2007. Due to a lack of space all the children cannot participate in the activities which we present. Due to their boredom the kids & youth become involved in substance abuse & gangsterism & some have already become school dropouts.

A Recreational Facility will enable us to cater for more children & thus keep them off the streets & uplift our community. We as parents & the Government should form a partnership in this regard so that our children & youth will not have a disasterous future.

Your's Sincerely,
Presented by: A.Coetzee (Treasurer)

F. MacClune - Chairperson; D. Davids - Vice-chairperson; J. Hill - Secretary;
A. Coetzee - Treasurer; C. Bekusha - Member; D. Smith - Member.

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CEO: M.F.Abrams: Chairperson: M.Claassen: Secretary Belinda Jacobs: Treasurer S.Abrams

21 February 2008

Presentation by M.F. Abrams

**Chairperson
Hon. Councilors
Community Leaders
Members of the Public
And all Protocol observed**

Good morning,

Thank you for affording P.A.C.E the opportunity to make a small contribution

We are living in challenging but yet exiting times, I want to bring to your attention that if we want to develop and bring empowerment to our communities it should be in a transparent and constructive manner, here I am referring to the establishment of the Local Economical Development Forum of which this process of establishment was not transparent because only certain people were notified others ignored

Youth:

Young people do not have facilities or resources to occupy them after school hours and during school recess, there is a serious lack of recreation facilities within our immediate communities thus leading to mischievous and other activities not conducive for growth and proper development.

Education:

Safety on our schools needs serious attention re: vandalism and hooliganism with obvious community participation.

Our educational institutions needs to be more effectively utilized.

Our educators needs to become more passionate about teaching and attend to the core of their business which is teaching and not becoming administrators attending to admin. School buildings under utilized should be effectively managed so that these institutions become the centre of activity for after school programs which can be manage by NGO's and the community.

Drugs:

This still remain the scourge amongst our youth as well as our vulnerable seniors a proper plan of action must be put in place and driven by the Local Drug Action Committee with the assistance of community as well as ward councilor's.

Shebeens:

Law enforcement should be implemented with the local SAPS so that this can become a controlled industry we can never eliminate this evil but it can be managed

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Housing:

The illegal occupation of hundreds of houses of which the ward councilors are aware of needs serious and unbiased attention as people with little or no knowledge are becoming victims of exploitation of the own circumstances.

Environment:

Our areas are a sight for sore eyes open spaces becoming dumping grounds due to the once a week garbage collection system

So called peace gardens are used as a business with vegetables being sold to the community at ridiculous prices.

Roads:

Some of our roads needs serious attention (potholes)

Drainage:

With winter approaching this area also need serious attention to avoid communities be flooded and our roads becoming rivers.

Lighting:

In some areas lights burns the whole in view of the energy crisis and in some areas we are in darkness.

Municipal Buildings:

Civic Centre's all 5 of them as well as unused property and school buildings needs to be utilized more effectively with regards to some of the items already mentioned.

Backyard Dwellers:

We need to attend to the plight of our housing epidemic so these unfortunate people can regain their identity and dignity, we know that overcrowding leads to child molestation lack of privacy and so many negatives.

Poverty is evident and we need to role out a sustainable skills development program and encourage self sustainability.

Our ward councilor's must stop being arrogant and be more visible constructively, they must remember they are in service of the people not themselves not to abuse their position or be abused and not to hold communities hostage with their management style. As it is upsetting to note that there is funding available and the budget is under-spent.

Any time the ward councilors need to engage with us we are as close to you as a please call me.

I thank you, P.A.C.E. thanks you.

**Compiled by The management of P.A.C.E.
And presented by Faisal Abrams**