



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Terms of Reference Energy Portfolio Committee

1. Introduction

Oversight is a crucial role of the municipal council in monitoring and evaluating the actions of the executive and administration in the discharge of the vast powers they possess. It also includes avoidance of abuse of power and guarding against under-performance. Vast powers have been conferred on a municipal council; see section 160 (1)(a) of the *Constitution of the Republic of South Africa, 1996 and Regulations* –

“A Municipal Council makes decisions concerning the exercise of all the powers and the performance of all the functions of the municipality”;

It is also possible for municipal councils to delegate the oversight role or part thereof to committees of the council. The *Local Government: Municipal Structures Act No. 117 of 1998 and Regulations* permits the establishment of one or more section 79 committees for the effective and efficient performance of any of its functions or the exercise of any of its powers – sect 79(1)(a).

The Terms of Reference in this document set out the working arrangements and list vital information about the committee such as the details of its role, powers and duties, chair and membership, administrative support and should be read in conjunction with the Committee Oversight document.

2. Role

The Portfolio Committee has an important oversight role especially in regard to the IDP, budgets, policies, rendering of services, strategic objectives and priorities and by-laws. Oversight entails the watchful, strategic and structured scrutiny of the actions of the executive and administration of the Municipal Council.

The oversight role of the Energy Portfolio Committee includes developing strategy for the monitoring and evaluation of the actions or inactions of the executive and administration and may require:

- Briefings;
- Hearings;
- Considerations of relevant reports;
- Scrutiny of relevant documents;
- Supply of relevant information;
- Physical access to records, books and other documentation;
- Posing questions in council;
- Tracking of inputs, processes, activities, outputs and outcomes against indicators; and
- Calling for reports to evaluate the impact and performance of service delivery generally within the functional area of the committee, excluding confidential reports on specific matters, such as matters under investigation etc.

3. Term

The Energy Portfolio Committee was established by Council on 15 December 2021 resolution C07/12/21. The Terms of Reference was approved by Council on 27 January 2022 resolution C25A/01/22 and shall remain until amended by resolution of Council.

4. Functional Areas

- Electricity Distribution
- Sustainable Energy Markets
- Shared Services

NB: The Council's System of Delegations document further sets out all general and/or specific delegations of this committee

5. Membership

The Portfolio Committee will comprise of a Chairperson and members of Council, appointed in terms of section 79 (1)(b) and (2)(c) of the *Local Government: Municipal Structures Act No. 117 of 1998 and Regulations*, and in accordance with section 160(8)(a) of the *Constitution of the Republic of South Africa, 1996 and Regulations*, which require that such committees be constituted in a manner that allows parties and interests reflected within the Council to be fairly represented. The updated committee membership is reflected in the "All Council committees" membership list available on the City web, via the link below:

<http://cityweb.capetown.gov.za/en/councilonline/Pages/Information.aspx>

Members shall have the highest regard to the Code of Conduct for Councillors set out in Schedule 1 of the Local Government: Municipal Systems Act No. 32 of 2000 and shall at all times be committed to the following values:

- Openness and transparency
- Honesty and integrity
- Tolerance and respect
- Equality and fairness
- Appreciation of cultural differences
- Sustainability
- Consensus building

6. Responsibilities

Chairperson

Definition

A Councillor appointed in terms of sect 79(2)(c) of the Local Government: Municipal Structures Act No. 117 of 1998 and Regulations by the Council of the City of Cape Town as Chairperson of the Energy and Climate Change Portfolio Committee.

Responsibilities

- 6.1 The Chairperson will meet regularly with the applicable Executive Mayoral Committee Member(s) responsible for Energy within the City, who will provide strategic and political direction with regard to Energy requirements for the City of Cape Town.
- 6.2 The Chairperson must develop an Annual Oversight Work Plan (derived from the relevant Service Delivery Budget Implementation Plans [SDBIPs]) for each year, based on the committee's assigned functions and responsibilities, ensuring that such plan is aligned to all relevant strategies and governance priorities for service delivery and operational implementation, as well as to ensure that all relevant matters are covered by the agendas of the meetings planned for the year.
- 6.3 The Chairperson must in accordance with the Annual Oversight Work Plan, assign roles and responsibilities to members based on the individual member's expertise and interests.

- 6.4 The Chairperson must assess collective Committee performance outcomes as referred to in section 10 of this Terms of Reference – through self- and stakeholder assessments and facilitate appropriate remedial action (action plans) to enhance the Committees performance.
- 6.5 The Chairperson must exercise overall responsibility for the Annual Oversight Work Plan adopted by the committee.
- 6.6 The Chairperson must demonstrate an objective and evidence based approach to the oversight function.
- 6.7 The Chairperson must set and agree the agenda for meetings of the Energy Portfolio Committee which contain clear objectives and outcomes for such meeting. The Chairperson must grant permission for any late reports, received after the agenda closing dates on the Council calendar, prior to this being included on an agenda.

Deliverables

- Annual Oversight Work Plan
- Agendas in accordance with Councils approved calendar of meetings
- Remedial action plans to enhance the Committee's performance
- Signed minutes of meetings of the Energy Portfolio Committee
- Quarterly overview report to the Energy Portfolio Committee
- Assignments in terms of the Annual Oversight Work Plan adopted and assigned by the Portfolio Committee

Committee member

Definition

A Councillor appointed in terms of sect 79(1)(b) of the Local Government: Municipal Structures Act No. 117 of 1998 and Regulations Structures Act by the Council of the City of Cape Town to serve as a member of the Energy Portfolio Committee.

Responsibilities

- 6.8 Members must be fully prepared for the Energy Portfolio Committee meetings and are expected to attend each meeting in accordance with the Code of Conduct and Rules of Order governing the meetings of Section 79 Committees.
- 6.9 Members must exercise all actions required to fulfill the personal work assignments in terms of the oversight annual work plan adopted by the committee.
- 6.10 Submit reports and/or recommendations to the Committee and/or Chairperson in connection with the discharge of such work assignments mentioned in 6.9 above.

Deliverables

- Submissions and assignments in respect of the discharge of such work assignments mentioned in 6.9 above.

Committee

General roles

Within its terms of reference, the Energy Portfolio Committee will:

- 6.11 consider and adopt the Chairperson's annual oversight work plan;
- 6.12 comment on draft policies and by-laws and recommend same to the Executive Mayor;
- 6.13 consider the draft business plans and SDBIPs and recommend to the Executive Mayor;
- 6.14 make recommendations to the Executive Mayor in regard to the draft IDP including amendments

to the IDP during the annual review thereof for decision by Council;

- 6.15 make recommendations in regard to the setting or revision of tariffs, levies, taxes and duties to the Executive Mayor;
- 6.16 monitor the implementation of Council's IDP, budget, business plans, strategic objectives, policies and programmes in relation to their functional area, and report thereon to the Executive Mayor;
- 6.17 evaluate the impact and performance of service delivery generally within the functional area of their respective committee (outcomes monitoring), and report to the Executive Mayor;
- 6.18 assist the Executive Mayor to determine the best way, including partnerships and other approaches, to deliver on Council's strategies, programmes and services to the maximum benefit of the City within the committee's functional area and to recommend the same to the Executive Mayor;
- 6.19 assist the Executive Mayor to identify the needs of the Municipality as far as it relates to the functional area of the committee and to recommend the same to the Executive Mayor, in terms of section 56 (2)(a) of the Structures Act;
- 6.20 review and evaluate the needs of the municipality in order of priority, in terms section 56 (2)(b) of the Structures Act and recommend the same to the Executive Mayor;
- 6.21 require Councillor(s) and/or official(s) to submit report(s) to the Committee to assist the Committee in the performance of its functions within its functional area;
- 6.22 conduct research, community and other consultations and undertake inspections in regard to matters relating to the committee's oversight functions;
- 6.23 consult and invite reports from public bodies/persons and request them to address the committee in the analysis of issues affecting the functional area of the Committee area;
- 6.24 collaborate with the Public Participation unit in order to enhance the public participation process.

7. Authority, accountability and reporting

The Energy Portfolio Committee is a committee of Council established in terms of section 79 of the Local Government: Municipal Structures Act No. 117 of 1998. In terms of section 79(2) the municipal Council:

- (a) *Must determine the functions of a committee*
- (b) *May delegate duties and powers to it*
- (f) *May determine a committee's procedure*

- 7.1 The Chairperson must report quarterly on all decisions taken by the Committee to the municipal council in accordance with the requirements of the System of Delegations read together with section 63 of the Local Government: Municipal Systems Act.
- 7.2 The Chairperson must submit an Annual report to Council of the functional operations of the **Energy Portfolio Committee**. The report should include:
 - 7.2.1 A summary of how the committee executed their assigned functions and responsibilities against the annual work plan;
 - 7.2.2 Clarify and justify their decisions or actions;
 - 7.2.3 A summary of key cross-cutting issues dealt with together with other Portfolio committees and how these matters were effectively dealt with;
 - 7.2.4 A summary of and explanation of how the committee went about amending any faults or errors found when exercising their oversight role and what steps were taken to prevent recurrence in future;
 - 7.2.5 Details of meetings and the number of meetings attended by each member. This is to include attendance at meetings of Working Groups and Joint Working Groups.

7.3 The Energy Portfolio Committee should recommend its Annual report for approval by the municipal council.

7.4 The Energy Portfolio Committee should consider any other reports that the City issues that relate to the Committee's responsibilities.

8 Meeting procedures

8.1 Rules of Order

The *Constitution* provides that:

"A municipal council may make by-laws which prescribe rules and orders for:

- a) Its internal arrangements;*
- b) Its business and proceedings."*

Council on 15 December 2021 by way of resolution number C08/12/21 adopted *Rules of Order for Section 79 Committees of Council*. Such Rules govern the meeting procedures of this committee.

8.2 Quorum

Rule number 7.1:

"The quorum for a meeting of a section 79 Portfolio Committee is a majority of its members."

8.3 Frequency of meetings:

8.3.1 Meetings of the Committee will be held in accordance with the meetings scheduled in the approved Council calendar of meetings.

8.3.2 Special Meetings to be called as the need arises to expedite decision making that are within the ambit of the committee, in terms of the Rules of Order.

8.4 Meeting: Agendas, Minutes and Logistics

8.4.1 Electronic agendas must be distributed at least 72 hours prior to a meeting for preparation purposes. Executive Committee Services (ECS) will at all times strive to circulate Volume 1 no later than 5 days before the meeting. Any late reports approved by the Chairperson for inclusion on the agenda will form part of subsequent volumes.

8.4.2 ECS provides secretarial, administrative support and logistical support to the Committee. The relevant line departments provide the Committee with support of a technical nature and are also responsible for secretarial support with respect to any workshops arranged by the Energy Portfolio Committee.

8.4.3 The minutes of meetings once confirmed and approved by members of the Energy Portfolio Committee must be signed and each page thereof initialed by the Chairperson and managed in accordance with paragraph 8.4.4. The Chairperson must sign and initial the confirmed minutes within 7 working days after the meeting at which it was confirmed.

8.4.4 Appropriate record management of Energy Portfolio Committee activities must be maintained and published subject to Council-approved processes.

8.4.5 Legal advisory services to the Energy Portfolio Committee shall be rendered by the City's Legal Services Department.

8.4.6 A standing invitation to Committee meetings should be sent to:

- Mayoral Committee members
- Executive Management
- The nominated Legal Representative(s) to the Energy Portfolio Committee

8.5 Appointment of Working Groups/Joint Working Groups/Ad hoc committees:

- 8.5.1 The Energy Portfolio Committee may individually or jointly with other Portfolio Committees consider that, in order to better facilitate cross-cutting reviews, the discharge of their duties would be best served by the appointment of working parties or panels or groups or committee members to assist the committees in their functions.
- 8.5.2 Working groups established are not sub-committees and are not subject to the Rules of Order of Section 79 Committees and accordingly have no powers other than to investigate and make recommendations to the parent committee.
 - 8.5.2.1 Ad hoc committees are compulsory attendance and therefore the Rules of Order in terms of Leave of Absence apply.
- 8.5.3 The Terms of Reference of any working group/ad hoc committee established under 8.5.1 above must be clearly stipulated by the appointing "parent" committee together with a defined period for their operation and existence and must be within the powers of the appointing committee.
- 8.5.4 Such working groups/ad hoc committees must keep attendance registers each time that they meet which are to be submitted to the Chairperson of the "parent" committee within the defined period as determined in 8.5.3 above.
- 8.5.5 Working Groups/Joint Working Groups/Ad hoc committees will receive secretarial and administrative support from the line departments within which the specific discipline is being scrutinized/investigated.
- 8.5.6 Such working groups/ad hoc committees may conduct research, liaise with external organisations operating in the area, whether national, regional or local, to ensure that the interests of local communities are enhanced by collaborative working.

8.6 General

- 8.6.1 Energy Portfolio Committee will formalise operational processes, systems and procedures as necessary for the performance of its terms of reference, in consultation with the relevant Executive Director(s) and Executive Services.
- 8.6.2 Energy Portfolio Committee uses a schedule of outstanding matters to keep track of the various stages of the Committee's review process with respect to each of the reports or topics under consideration.
- 8.6.3 Energy Portfolio Committee must deal with all matters, as instructed by Council. It is therefore important to prioritise the items on the schedule of outstanding matters.

9 Relationship and Interaction

- 9.1 Chairperson will regularly meet with the Mayoral Committee member(s) to discuss issues of concern, for strategic guidance and political direction.
- 9.2 Chairperson will regularly meet with the Executive Director(s) who provide support, advise and assist in ensuring an integrated approach to the management and delivery of Council's priorities and objectives.
- 9.3 The Chairpersons of the respective Portfolio Committees which have established Joint Working Groups, to consider any cross-cutting issues that are of significant interest or concern, will together exercise overall responsibility for the scope of work programme of such Joint Working Group to ensure a collaborative outcome.

10 Performance Evaluation

- 10.1 The Energy Portfolio Committee must assess and evaluate its performance and achievements of the Committee.
- 10.2 The findings of the Committee Self-assessment must be presented to the Municipal Council in the

Committee's Annual Report.

10.3 Where the self-assessment highlights a need for improvement to the role, operational processes or membership of the Committee, the Chairperson should take action to ensure that such improvements, upon approval by the municipal council, are implemented.

10.4 The effectiveness and efficiency of the Committee will be monitored by the Municipal Council annually.

11 Dispute Resolution

11.1 With regard to paragraph 6.7 the following:

Should there be any disagreement with what should be included on the agenda, such dispute is to be referred to the Chief Whip for discussion and resolution.

Note: The Energy Portfolio Committee makes recommendations to Council. Council takes the decisions so the dispute resolution application to Council will apply, in terms of the Promotion of Administrative Justice Act.

12 Approval, Amendment, Modification or Variation

This Terms of Reference may be reviewed annually or as regularly as deemed appropriate. Amendments to the Terms of Reference are subject to approval by the municipal council and will be applicable from date of approval until amended by the municipal council. The approved Terms of Reference will be published on the municipal website to promote awareness to all stakeholders.