

ITEM NUMBER: C 28/04/16

*RECOMMENDATION FROM THE EXECUTIVE MAYOR: 19 APRIL 2016*

MC 23/04/16 QUARTERLY REPORT OF THE AUDIT COMMITTEE  
CHAIRPERSON FOR THE QUARTER ENDED 31 DECEMBER 2015

It is **RECOMMENDED** that the quarterly report of the Audit Committee Chairperson for the quarter ended 31 December 2015, be noted.



**REPORT TO COUNCIL**

**DATE**

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- 1 ITEM NUMBER : C 43/03/16**
  - 2 QUARTERLY REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE FOR THE QUARTER ENDED 31 DECEMBER 2015**

**KWARTAALVERSLAG VAN DIE MUNISIPALE KOMITEE OOR OPENBARE REKENINGE VIR DIE KWARTAAL WAT OP 31 DESEMBER 2015 GEEINDIG HET**

**INGXELO YARHOQO NGEKOTA YEKOMITI KAMASIPALA EJONGENE NEEAKHAWUNTI ZOLUNTU, EPHELE NGOWAMA-31 DISEMBA 2015**

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- 3 RECOMMENDATION FROM THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 8 MARCH 2016 (MPAC 05/03/16)**

It is recommended that Council acknowledges the activities of the Municipal Public Accounts Committee as detailed in this Quarterly Report for the quarter ended 31 December 2015.

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**AANBEVELING VAN DIE MUNISIPALE KOMITEE OOR OPENBARE REKENINGE: 8 MAART 2016 (MPAC 05/03/16)**

Daar word aanbeveel dat die Raad erkenning gee aan die aktiwiteite van die munisipale komitee oor openbare rekeninge wat uitvoerig uiteengesit is in hierdie kwartaalverslag vir die kwartaal wat op 31 Desember 2015 geëindig het.

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**ISINDULULO ESIVELA KWIKOMITI KAMASIPALA ENGEE-AKHAWUNTI ZOLUNTU: 8 MATSHI 2016 (MPAC 05/03/16)**

Kundululwe ukuba iBhunga malamkele imisebenzi eyenziwe yiKomiti kaMasipala ejongene nee-Akhawunti zoLuntu njengoko icaciswe ngokuzeleyo kule ngxelo yarhoqo ngekota, ephela ngowama-31 Disemba 2015.

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CHAIRPERSON: MUNICIPAL ACCOUNTS  
PUBLIC ACCOUNTS COMMITTEE


COUNCILLOR : S MXOLOSE

RECOMMENDED

REFUSED

REFERRED BACK

DATE 15/03/2016



SPEAKER : ALDERMAN JD SMIT

RECOMMENDED

REFUSED

REFERRED BACK

DATE 17/03/2016

COMMENT:

FOR NOTING.



REPORT TO MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
REPORT TO COUNCIL

DATE

1. ITEM NUMBER : **MPAC 05/03/16**

2. SUBJECT

**QUARTERLY REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
FOR THE QUARTER ENDED 31 DECEMBER 2015**

**ONDERWERP**

**KWARTAALVERSLAG VAN DIE MUNISIPALE KOMITEE OOR OPENBARE  
REKENINGE VIR DIE KWARTAAL WAT OP 31 DESEMBER 2015 GEËINDIG  
HET**

**ISIHLOKO**

**INGXELO YARHOQO NGEKOTA YEKOMITI KAMASIPALA EJONGENE NEE-  
AKHAWUNTI ZOLUNTU, EPHELE NGOWAMA-31 DISEMBA 2015**

**LSU : E4989**

3. STRATEGIC INTENT

- Opportunity City
- Safe City
- Caring City
- Inclusive City
- Well-run City

The City of Cape Town's vision includes serving the citizens of Cape Town as a well-governed and corruption-free administration. MPAC, as the mechanism through which Council exercises oversight over the expenditure of public money, aligns itself to the City's "Well-run City" strategic focus area with particular reference to:

- Objective 5.1: Ensure a transparent government, and work towards eradicating corruption
- Programme 5.1(a): Transparent government (oversight) programme

**4. PURPOSE**

To provide a Quarterly Report to the Council on the activities of the Municipal Public Accounts Committee (MPAC) for the quarter ended 31 December 2015.

**5. FOR NOTING BY**

This report is for noting only/information only.

**6. EXECUTIVE SUMMARY**

As per the MPAC Terms of Reference approved by Council on 3 December 2014 (*vide* C 44/12/14), the MPAC must report to Council quarterly on its activities.

MPAC's 2015 Annual Work Programme was approved by Council on 3 December 2014 (*vide* C 45/12/14) and will form the basis for the quarterly reporting process.

This report is submitted to Council in terms of section 63 of the Local Government: Municipal Systems Act, Act 32 of 2000, read with Part 24 of the Council approved System of Delegations, on all activities listed in Annexures "A" to "C2" for the quarter ended 31 December 2015.

**7. RECOMMENDATIONS**

It is recommended that Council acknowledges the activities of the Municipal Public Accounts Committee as detailed in this Quarterly Report for the quarter ended 31 December 2015.

**AANBEVELING**

Daar word aanbeveel dat die Raad erkenning gee aan die aktiwiteite van die munisipale komitee oor openbare rekeninge wat uitvoerig uiteengesit is in hierdie kwartaalverslag vir die kwartaal wat op 31 Desember 2015 geëindig het.

**ISINDULULO**

Kundululwe ukuba iBhunga malamkele imisebenzi eyenziwe yiKomiti kaMasipala ejongene nee-Akhawunti zoLuntu njengoko icaciswe ngokuzeleyo kule ngxelo yarhoqo ngekota, ephela ngowama-31 Disemba 2015.

**8. DISCUSSION/CONTENTS**

MPAC's authority is defined in the City's System of Delegations. MPAC is also authorised, by its Terms of Reference which had been revised and adopted by Council on 3 December 2014, to investigate unauthorised, irregular, fruitless and wasteful expenditure in terms of section 32(2) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA) and to have oversight of the

annual report of the City of Cape Town and the City's Municipal Entities in terms of section 129 of the MFMA.

- (a) Apart from the ordinary meetings held on a monthly basis, subcommittees (consisting of a minimum of 3 councillors) are established to investigate items:
- (i) highlighted in the Auditor General's report;
  - (ii) included in the Annual Financial Statements as unauthorised, irregular or fruitless and wasteful expenditure (in the accounting notes); and
  - (iii) referred by Council resolution.
- (b) During this quarter the following can be reported from the MPAC activities as required in **Annexure "A"**:
- (i) Two ordinary meetings were held.
  - (ii) Three reports were approved by Council:
    - Foreign exchange payments made to the International Council of Societies of Industrial Design (ICSID) in respect of the World Design Capital 2014 (*vide* C 59/10/15)
    - Quarterly report of the Municipal Public Accounts Committee for the quarter ended 30 September 2015 (*vide* C 50/12/15)
    - The MPAC's Annual Work Programme for the period January 2016 to December 2016 (*vide* C 51/12/15)
  - (iii) One MPAC task team met on:
    - 10 November 2015 to discuss the advertising of a new position (i.e. Director: Equity, Diversity Management and Organisational Effectiveness) without authority.
  - (iv) Governance – Training and Sharing:
    - Visiting municipalities accommodated on 10 November 2015
  - (v) Governance – Meetings:
    - Western Cape Association of Municipal Public Accounts Committees (WCAMPAC) launch meeting attended by MPAC Chairperson on 5 November 2015

**Annexure "B"** depicts the detail of activities for the quarter ended 31 December 2015 and attached as **Annexure "C"** is the MPAC 2015 Annual Work Programme progress at 31 December 2015.

### 8.1. Constitutional and Policy Implications

In terms of section 59 of the Local Government: Municipal Systems Act, Act 32 of 2000, the City's System of Delegations were compiled to maximize administrative and operational efficiency and to provide for adequate checks and balances by delegating appropriate powers, functions and duties.

MPAC's delegations are defined in the City's System of Delegations as adopted by Council on 29 January 2014.

Furthermore, the MPAC has a Council approved Terms of Reference (*vide* C 44/12/14) that is based on the National Treasury Guideline for Establishment of Municipal Public Accounts Committees (MPAC).

The submission of this quarterly report is prescribed in terms of section 63 of the Local Government: Municipal Systems Act referred to above, read with the System of Delegations.

**8.2. Sustainability Implications**

Does the activity in this report have any sustainability implications for the City? No  Yes

**8.3. Legal Implications**Part 24 of the City of Cape Town's System of Delegations

(4) Develop an annual work programme, including a monitoring mechanism (subject to the Council's approval), linked to the Council's planning cycle, and concluding with the Committee's recommendations on the oversight report.

(7) Report to Council quarterly on its activities, and when deemed necessary on any matter within the terms of reference of the committee.

Section 59(1) of the Municipal Systems Act

A municipal council must develop a system of delegation that will maximise administrative and operational efficiency and provide for adequate checks and balances.

Section 63 of the Municipal Systems Act

A political structure, political office bearer, councillor or staff member of a municipality to whom a delegating authority has delegated or sub-delegated a power or duty, must report to the delegating authority at such intervals as the delegating authority may require, on decisions taken in terms of that delegated or sub-delegated power or duty since the last report.

**8.4. Staff Implications**

Does your report impact on staff resources, budget, grading, remuneration, allowances, designation, job description, location or your organisational structure?

No   
Yes

**8.5. Other Services Consulted**

None

**ANNEXURES**

- Annexure "A" : MPAC Mandate, Method of Work and Reporting  
 Annexure "B" : Detailed Activities for the Quarter ended 31 December 2015  
 Annexure "C1" : MPAC Annual Work Programme (October 2015 to December 2015)  
 Annexure "C2" : MPAC Annual Work Programme (January 2015 to December 2015)

FOR FURTHER DETAILS CONTACT:

NAME	Antoinette Moolman / Gayle Postings <i>Moolman Postings</i>
CONTACT NUMBERS	021 400 9297 / 021 400 9375
E-MAIL ADDRESS	Antoinette.Moolman@capetown.gov.za/Gayle.Postings@capetown.gov.za
DIRECTORATE	Corporate Services & Compliance
FILE REF No	2/9/2/1
SIGNATURE: CHIEF AUDIT EXECUTIVE	L Ndaba <i>L Ndaba</i>

*3/2/16*

*[Signature]*

MPAC CHAIRPERSON

COMMENT:

NAME COUNCILLOR WS MXOLOSE

DATE 04.02.2016

REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

NON-COMPLIANT

*[Signature]*

LEGAL COMPLIANCE

Comment:

NAME CHARLYNNE ARENDSE

TEL 021 400 265

DATE 04/02/2016

Certified as legally compliant:  
Based on the contents of the report. *[Signature]*

*N. G. R. m.*

EXECUTIVE DIRECTOR: **CORPORATE SERVICES & COMPLIANCE**

SUPPORTED FOR ONWARD SUBMISSION TO MPAC  / COUNCIL

NAME G RAS

NOT SUPPORTED

DATE 15/2/16

REFERRED BACK

COMMENT: