



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

FINANCE PORTFOLIO COMMITTEE

1. **ITEM NUMBER: FNPC 04/10/24**

2. **SUBJECT**

**CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON
2 SEPTEMBER 2024**

*UKUNGQINWA KWEMIZUZU YENTLANGANISO EYAYIBANJWE NGOMHLA
2 EYOMSINTSI 2024*

**GOEDKEURING VAN DIE NOTULES VAN DIE VERGADERING GEHOU OP
2 SEPTEMBER 2024**

3. **DISCUSSION**

The minutes are attached for confirmation by the Finance Portfolio Committee.

MINUTES

OF THE MEETING OF THE FINANCE PORTFOLIO COMMITTEE OF THE CITY OF CAPE TOWN HELD IN MEETING ROOM 2, 6TH FLOOR, PODIUM BLOCK, CAPE TOWN ON MONDAY, 2 SEPTEMBER 2024 AT 10:30

PRESENT**COMMITTEE MEMBERS****DEMOCRATIC ALLIANCE (DA)**

Ald S Moodley (**Chairperson**)
Ald J van der Merwe
Ald R Arendse
Cllr A Griesel
Cllr J Witbooi
Cllr M Adonis
Cllr M Temlett
Cllr D Christians
Cllr J Mills
Cllr A Elyas (joined the meeting at 10:55am)

AFRICAN NATIONAL CONGRESS (ANC)

Cllr B Majingo

CAPE COLOURED CONGRESS (CCC)

Cllr B Lubbe

GOOD

Cllr A Louw

ECONOMIC FREEDOM FIGHTERS (EFF)

Vacant

ABSENT WITH APOLOGY

Cllr S Booyesen (DA)
Cllr L Mqina (ANC)
Cllr K Bodin (CAPEXIT)

ABSENT WITHOUT APOLOGY

Cllr T Mjuza (ANC)

OTHER COUNCILLORS

Cllr S Mbandezi (Mayoral Committee Member: Finance)

OFFICIALS

K Jacoby	Finance
W Muller	Grant Funding
E De Villiers	Revenue
D Marquad	Revenue
C Stroud	Budgets
M Collop	Support Services
L Muller	Valuations
A Grodes	Legal Services
L Fortune	Treasury Services
A Bloew	Supply Chain Management
D Valentine	Treasury (skype platform)
N Lepheana	Expenditure (skype platform)
S Ndzongo	Finance (skype platform)
A Vorster	Finance (skype platform)
N Anderson	Resilience (skype platform)
M Keating	

OTHER OFFICIALS PRESENT**PROVINCIAL ADMINISTRATION WESTERN CAPE**

S Ntloko

CAPE TOWN STADIUM

G Woodburn

F Parker

EXECUTIVE COMMITTEE SERVICES

R Alberts

A Salie

FNPC 01/09/24 OPENING AND PRAYER / MOMENT OF SILENCE

The Chairperson, Ald S Moodley welcomed everyone present to the meeting, whereupon Cllr J Witbooi opened the meeting with a prayer.

At this point, the Chairperson Ald S Moodley requested a moment of silence in memory of the late Ald B Jacobs.

FNPC 02/09/24 APPLICATION FOR LEAVE OF ABSENCE

The Committee was informed that no apologies were received for this meeting from the Chief Whip's office.

Subsequent to the FNPC meeting, an apology was received from the Chief Whips office for Cllr L Mqina (ANC).

It was noted that Cllr A Elyas (DA) will join the FNPC meeting at a later stage.

NOTED**FNPC 03/09/24 CHAIRPERSON'S REPORT OR ADDRESS**

The Chairperson, Ald S Moodley addressed the Finance Portfolio Committee meeting held 2 September 2024 as follows:

Good Morning, Alderman, Councillors, MAYCO Member for Finance: Cllr Siseko Mbandezi; CFO Kevin Jacoby, Directors, Officials, Members of the Public and the Media. Our Regular Visitors from the Provincial Govt. Thank you for your attendance.

We have two presentations and a Site visit to the DHL Stadium, Greenpoint at 12pm.

The Springboks had an awesome game against the All Blacks and again we seen how sports unite fellow South Africans. We are looking forward to this week's match at the DHL Stadium.

On the football, front Manchester United fans were left devastated with Liverpool running away with a three nil victory.

The City of Cape Town has again received a clean audit and is the only Metro to have achieved this for its 2022/23 financial year. The Auditor-General (AG) has lauded the City as being a 'pocket of excellence' while audits for municipalities across South Africa generally worsened for the year under review.

According to the Auditor-General, clean audits are generally characterised by:

- Sound financial and performance management disciplines and performing their functions in accordance with applicable legislation.
- Well-managed projects, enabling prompt identification and rectification of deficiencies to adhere to timelines, budgets and quality standards.
- A well-functioning control environment and good systems that are present at these municipalities.

The City of Cape Town plans to spend R39,5bn on infrastructure from July 2024 to June 2027, as approved in its 'Building for Jobs' Budget. This is South Africa's largest ever three-year infrastructure investment by a metropolitan municipality

VALUATION :

The objection period of the First Supplementary Valuation Roll to General Valuation Roll 2022 ended on Friday 30 August 2024. The Supplementary Valuation roll consisted of 67 860 properties.

On Friday, 30 Aug 2024 around 19:00 the statistics of the objections received were as follows:

- SV01 objections received: 132 (2% of the Roll), of which 77% (or 101) are residential objections;
- SV01 objections resolved: 46 (35%);
- Room should be left for more objection possibly received via email and e-services between 19:00 and 23:59 on 30 Aug 2024;
- For the 2023/24 financial year the accrued rates income did not vary by more than 1% from the budgeted income. This represents the quality of data and the accuracy of modelling and certainly something that should be commended and celebrated.

REVENUE:

- Revenue is proud to report that in July 2024, during a time of economic hardship the Revenue department has received record cash of R4.4bn resulting in a monthly collection ratio of 101.5%.
- The outstanding debt has also decreased to R8.86 bn.

EXPENDITURE:

The Expenditure department has performed well in meeting its year-end targets. The division continue to pay 99% of City Creditors within 30 days. The Travel Policy review process has been finalised and the policy is currently going through MayCo, thereafter it will

serve at the FPC. The team is ready for the external audit that is due to start soon.

In concluding, may I take this opportunity in thanking the CFO and his Team for a job well-done.

Thank you.

Alderman Siva Moodley
Chairperson: Finance Portfolio Committee

NOTED

FNPC 04/09/24 MINUTES OF THE FINANCE PORTFOLIO COMMITTEE MEETING HELD ON 5 AUGUST 2024

RESOLVED that the minutes of the Finance Portfolio Committee meeting held on 5 August 2024, be confirmed as proposed by Cllr J Witbooi and Cllr B Majingo.

ACTION: R ALBERTS

FNPC 05/09/24 MATTERS ARISING FROM THE MINUTES

Cllr J Witbooi enquired about the status of the identification cards for frontline staff at particularly Cash offices.

Mr K Jacoby responded that he obtained approval to engage Communications department, to assist with identification cards for Revenue frontline staff.

NOTED

FNPC 06/09/24 MATTERS RECEIVING ATTENTION

NONE

FNPC 07/09/24 A PRESENTATIONS

The Chief Executive Officer, Ms G Woodburn and the Chief Financial Officer, Ms F Parker were afforded the opportunity to present on the Cape Town Stadium (RF) SOC Limited 2023/24 financial year and highlighted the following points:

- ❖ Cape Town Stadium (RF) SOC Limited 2023/24 financial year (upcoming events);
- ❖ Multi-purpose stadium;
- ❖ 34 Bowl; 61 Non-bowl and 32 Film shoots;
- ❖ United Rugby Championship (URC) highlights 2023/24;
- ❖ Average Club attendances;
- ❖ Match day experience factors;

- ❖ Total economic impact in Cape Town;
- ❖ Stadium business summit learnings;
- ❖ 748, 264 Spectators;
- ❖ Financial performance 2023/24;
- ❖ Service Delivery Budget Implementation Plan (SDBIP);
- ❖ Business objectives;
- ❖ Strategy 2024/25;
- ❖ 1: Robust event calendar (2024/25 FY Bowl events);
- ❖ 2: Event acquisition for outer years;
- ❖ 3: Non-bowl and auxiliary revenue;
- ❖ 4: Property development and
- ❖ 5: Build brand affinity.

The Chairperson, Ald S Moodley afforded Cllrs an opportunity to posed comments or questions as follows:

Ald J Van Der Merwe mentioned the upcoming Rugby Championship game on 7 September 2024 and highlighted transport related challenges to and from the stadium. He proposed that Urban Mobility be engage to explore extending the MyCity services to the Northern and Southern suburbs. He stated that residents will pay for services and convenience, in order to commute to the stadium particularly for major events.

He referred to the Rugby Championship at Ellis Park, Gauteng and stated that Gautrain and PRASA worked together in order to provide transport services to commuters for the test game held on 31 August 2024.

Cllr B Majingo commended Ms G Woodburn for the sterling work done at the stadium and the revenue generated for the City. He emphasised the benefits of monetising the asset in terms of naming rights DHL brand.

He further stated that local football clubs are often not able to utilise the facility due to the exorbitant cost implication. He enquired of ways to accommodate community football clubs that want to make use of alternative facilities.

Cllr J Witbooi referred to the scorecard and the high percentages achieved and enquired about the initiatives to ensure that it be maintained at that level.

Ms G Woodburn responded in terms of the stadium accessibility, due to the heavy winter rainfall several pitches across Cape Town were damaged and it posed a challenge for many clubs.

She advised that they will be developing a Corporate Social Investment (CSI) policy that will create a platform for engagement and to offer skills to the broader community.

She advised of the initiative to enhance the spectator experience and that they developing the P2, pre-match area with proposed braai facilities.

She supported the sentiments in terms of the transport related challenges and that they will review this matter going forward.

Mr K Jacoby advised of the previous status of the stadium regarding negative media coverage and the high percentage of property rates. He mentioned the Council resolution in terms of the stadium to minimise the impact on the rates account. He commended the stadiums leadership for achieving this outcomes and clean audits.

The Chairperson, Ald S Moodley thanked Ms G Woodburn and Ms F Parker for an informative presentation.

RESOLVED that the presentation on the Cape Town Stadium (RF) SOC Limited 2023/24 financial year, be noted with appreciation.

FNPC 07/09/24 B **RESOLVED** that the presentation: 2024 Results be deferred to the Finance PC meeting scheduled on 7 October 2024.

ACTION: D VALENTINE / K JACOBY

FNPC 08/09/24 **FINANCIAL MONITORING REPORT: JULY 2024**

RESOLVED that:

- a) the Financial Monitoring Report for the period ending July 2024 be noted and referred to MayCo Members and EMT for remedial action, where required;
- b) it be noted that savings on expenditure items will be set aside to reduce borrowing and to fund the City's capital programme.

ACTION: C STROUD / K JACOBY

FNPC 09/09/24 **FINANCE DIRECTORATE: 2023/24 FOURTH QUARTER'S PROGRESS REPORT ON THE DIRECTORATE AND DEPARTMENTS' PERFORMANCE**

RECOMMENDATION:

(a) that the Executive Mayor together with the Mayoral Committee evaluate and review the 2023/24 fourth quarter's progress report in relation to its functional area and submit the report to Council for noting.

(b) that Council note the 2023/24 fourth quarter's progress report.

ACTION: R ALBERTS / M COLLOP / K JACOBY

FNPC 10/09/24 ANNUAL REVIEW OF ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

RESOLVED that the process for the review of the Organisational Performance Management System, be noted and input be given if necessary and recommend it to the Executive Mayor together with Mayco for submission to Council as part of the IDP annual review process.

ACTION: R ALBERTS / M COTO / G MORGAN

FNPC 11/09/24 REPORT ON COLLECTION RATIO AND DEBT MANAGEMENT ACTIONS: JULY 2024

Mrs E De Villiers gave a brief powerpoint presentation of the Collection Ratio and Debt management actions as at July 2024 whereupon, she highlighted the following points:

- Collection ratio;
- Debt;
- Pensioner and indigent relief and
- Government debt.

The Chairperson, Ald S Moodley thanked Mrs E De Villiers for an informative presentation.

RESOLVED that the contents of the report on the Collection Ratio and Debt Management Actions as at July 2024, be noted with appreciation.

ACTION: E DE VILLIERS / K JACOBY

FNPC 12/09/24 FINANCIAL PERFORMANCE FOR THE PERIOD ENDING JULY 2024

RESOLVED that the overall financial performance of the Finance Directorate for the period ending July 2024, be noted.

ACTION: D CLEGG / K JACOBY

THE MEETING CONCLUDED AT 11:35.

[AFTER THE FNPC MEETING, THE MEMBERSHIP EMBARKED ON A SITE TOUR TO THE CAPE TOWN STADIUM]

ALD S MOODLEY
CHAIRPERSON

DATE