

ITEM NUMBER : C 04/03/11

RECOMMENDATION FROM THE EXECUTIVE MAYOR: 15 MARCH 2011

MC 27/03/11 OVERSIGHT REPORT IN RESPECT OF THE 2009/2010 ANNUAL REPORTS FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES

Ald. I Neilson proposed that the Oversight Report in respect of the 2009/2010 Annual Reports be recommended to Council for adoption.

The above proposal was duly supported.

RECOMMENDED that:

- (a) Council having fully considered the 2009/10 Annual Report of the municipality and representations thereon, adopts the oversight report; and
 - (i) approves the annual report without reservations
- (b) Council having fully considered the 2009/10 Annual Report of the Municipal Entity, Cape Town International Convention Centre Company and representations thereon, adopts the oversight report; and
 - (i) approves the annual report without reservations
- (c) the 2009/10 Annual Report of the Municipal Entity, Khayelitsha Community Trust, and representations thereon, adopts the oversight report; and
 - (i) approves the annual report without reservations
- (d) the resolutions per Annexure A to the report on the agenda be supported for action.

**REPORT TO COUNCIL FROM THE STANDING
COMMITTEE ON PUBLIC ACCOUNTS (SCOPA)
(FUNCTIONING AS THE OVERSIGHT COMMITTEE)**

CITY OF CAPE TOWN | ISIXEKO SASEKAPA | STAD KAAPSTAD

1. **ITEM NUMBER :** MC 27/03/11

2. **SUBJECT**

**OVERSIGHT REPORT IN RESPECT OF THE 2009/2010 ANNUAL REPORTS
FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES**

ONDERWERP

**OORSIGVERSLAG OOR DIE 2009/2010-JAARVERSLAE VIR DIE STAD
KAAPSTAD EN SY MUNISIPALE ENTITEITE**

ISIHLOKO

**INGXELO YOKUB'EKILISO NGOKUPHATHELENE NEENGXELO ZONYAKA
KUNYAKA-MALI KA-2009/2010 ZESIXEKO SASEKAPA KUNYE
NAMAQUMRHU KAMASIPALA AZIMELEYO**

LSUA2660

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 2009/10 in terms of Section 129 of the Local Government: Municipal Finance Management Act (Act No 56 of 2003) (MFMA).

4. **FOR DECISION BY**

The statutory authority to adopt an Oversight Report in respect of the Annual Report rests with Council.

5. **EXECUTIVE SUMMARY**

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.

- 5.2 The Standing Committee on 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 municipal entities for 2009/10, with a view to providing comments to SCOPA for inclusion in the oversight report to be prepared by SCOPA and adopted by Council on 30 March 2011. Relevant comments and resolutions made by the Sub-Councils and the Portfolio Committees, are contained in schedules attached as **Annexure C**.
- 5.3 SCOPA considered the 2009/10 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 11 February 2011. The minutes of that meeting is attached as **Annexure B**. The SCOPA resolutions flowing from this process are contained in the schedule attached as **Annexure A**.
- 5.4 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.
- 5.5 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 in the community.
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6. RECOMMENDATIONS

Not delegated: for decision by Council:

- a) That Council having fully considered the 2009/10 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 2009/10 Annual Report of the Municipal Entity, Cape Town International Convention Centre Company and representations thereon, adopts the oversight report; and
 - (i) Approves the annual report without reservations.
- c) That Council having fully considered the 2009/10 Annual Report of the Municipal Entity, Khayelitsha Community Trust, and representations thereon, adopts the oversight report; and
 - (i) Approves the annual report without reservations.
- d) That the resolutions per Annexure A be supported for action.

AANBEVELING

Nie gedelegeer nie: vir besluit deur die Raad:

- a) Dat die raad ná deeglike oorweging van die 2009/10-jaarverslag van die munisipaliteit, sowel as verhoë daaroor, die oorsigverslag aanvaar; en
 - i) die jaarverslag sonder voorbehoud aanvaar
- b) Dat die raad ná deeglike oorweging van jaarverslag van die munisipale entiteit, die maatskappy Cape Town International Convention Centre, sowel as verhoë daaroor, die oorsigverslag 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
- d) Dat die resolusies in bylae A vir aksie gesteun word.

IZINDULULO

Azigunyaziswanga: iSiggibo seseBhunga:

- a) Ukuba njengoko iBhunga liyiqwalasele ngokupheleleyo iNgxelo yoNyaka yonyaka-mali ka-2009/10 yomasipala nenkcazelo ezinezizathu zayo, maliyamkele ingxelo yokub'ekiliso; yaye
- (i) Maliyiphumeze ingxelo yonyaka ngaphandle koxhomekeko.
- b) Ukuba njengoko iBhunga liyiqwalasele ngokupheleleyo iNgxelo yoNyaka yonyaka-mali ka-2009/10 yamaQumrhu azimeleyo kaMasipala, iNkampani yeZiko leeNgqungquthela zaMazwe ngamazwe eKapa kunye neenkcazelo ezinezizathu zazo, maliyamkele ingxelo yokub'ekiliso; yaye
- (i) Maliyiphumeze ingxelo yonyaka ngaphandle koxhomekeko.
- c) Nokuba emva kokuba iBhunga liyiqwalasele ngokupheleleyo iNgxelo yoNyaka yonyaka-mali ka-2009/10 yamaQumrhu azimeleyo kaMasipala, iQumrhu loLuntu lwaseKhayelitsha, kunye neenkcazelo ezinezizathu zazo, maliyamkele ingxelo yokub'ekiliso; yaye
- (i) Maliyiphumeze ingxelo yonyaka ngaphandle koxhomekeko.
- d) Ukuba makuxhaswe izisombululo ngokwesiHlomelo-A ukuze zifezekiswe.

7. DISCUSSION/CONTENTS

7.1. Constitutional and Policy Implications

The Standing Committee on 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.

7.2. Environmental implications

Does your report have any environmental implications: No Yes

7.3. Legal Implications

7.3.1 Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

7.3.2 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)

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

7.4. Staff Implications

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

No

Yes

7.5. Other Services Consulted

None

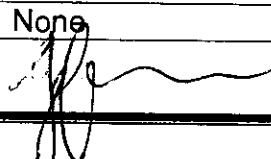
ANNEXURES

Annexure A: Schedule containing Comments and Resolutions from SCOPA

Annexure B: Minutes of the SCOPA meeting held on 11 February 2011 to discuss the Annual Report

Annexure C: Schedule containing comments from the Portfolio Committees and Sub-Councils

FOR FURTHER DETAILS CONTACT :


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DIRECTORATE	Internal Audit
FILE REF NO	None
SIGNATURE : DIRECTOR	

LEGAL COMPLIANCE

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

NON-COMPLIANT

NAME RIPANA SAYED
TEL 021 400 4508

Comment: **Certified as legally compliant:**
Based on the contents of the report. 

DATE

01 / 03 / 2011



CHIEF AUDIT EXECUTIVE
Zulpha Abrams

Comment:

DATE

02/03/11