

REPORT TO COUNCIL

27 MAY 2021

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1. ITEM NUMBER **C 47B/05/21**

2. SUBJECT

**OVERSIGHT REPORT IN RESPECT OF THE 2019/2020 ANNUAL REPORTS FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES (CONVENCO AND CAPE TOWN STADIUM)**

**ONDERWERP**

**TOESIGVERSLAG OOR DIE 2019/2020-JAARVERSLAE VIR DIE STAD KAAPSTAD EN SY MUNISIPALE ENTITEITE (CONVENCO EN DIE KAAPSTAD-STADION)**

**ISIHLOKO**

**INGXELO YOKUBEK' ILISO EPHATHELELE KWIINGXELO ZONYAKA ZIKA-2019/2020 ZESIXEKO SASEKAPA NAMAQUMRHU ASO KAMASIPALA (ICONVENCO KUNYE NESTEDIYAM SASEKAPA)**

**LSU 3565**

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3. **RECOMMENDATION FROM THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE:  
18 MAY 2021 (SPMPAC 04/05/21)**

It is **RECOMMENDED** that:

- (a) Council adopt the Oversight Report and approves the 2019/2020 Annual Reports of the City and its municipal entities (Convenco and Cape Town Stadium) without reservation
- (b) it be noted that except for one comment received from a member of the public, there were no other questions/comments received from the Portfolio Committees and Subcouncils
- (c) the resolutions in Annexure B to the attached report be supported for action and where applicable, be referred to the relevant officials and feedback, where applicable, be provided to the Municipal Public Accounts Committee.

**AANBEVELING VAN DIE MUNISIPALE KOMITEE OOR OPENBARE REKENINGE:  
18 MEI 2021 (SPMPAC 04/05/21)**

Daar word **AANBEVEEL** dat:

- (a) die Raad die toesigverslag aanneem en die 2019/2020-jaarverslae van die Stad en sy munisipale entiteite (Convenco en die Kaapstad-Stadion) sonder voorbehoud goedkeur.
- (b) daar kennis geneem word dat met die uitsondering van kommentaar wat van een lid van die publiek ontvang is, geen ander vrae/kommentaar van die portefeuljekomitees en subrade ontvang is nie.
- (c) die resolusies in bylae B by die aangehegte verslag vir optrede gesteun word, en waar toepaslik na die betrokke amptenare verwys word en terugvoering waar toepaslik aan die munisipale komitee oor openbare rekeninge (MPAC) gelewer word.

**ISINDULULO SEKOMITI KAMASIPALA EJONGENE NEE-AKHAWUNTI ZOLUNTU:  
18 EKACANZIBE 2021 (SPMPAC 04/05/21)**

**KUNDULULWE** ukuba:

- (a) Bhunga malamkele ngaphandle kwentandabuzo ingxelo engobek'iliso kwaye liphumeze iiNgxelo zoNyaka ka-2019/20 zeSixeko nezaMaqumrhu aso azimeleyo kaMasipala (iConvenco neStediyam saseKapa)
- (b) Kufuneka kuqatshelwe ukuba ngaphandle koluvo olunye olufunyenwe kwilungu lasekuhlaleni azikho ezinye izimvo/imibuzo eye yafunyanwa kwiiKomiti zeMicimbi yeSebe nakumabhungana
- (c) Makuxhaswe izigqibo ezikwisihlomelo B kwingxelo eqhotyoshelweyo ukuze kuthatyathwe amanyathelo kwaye apho kufanelekileyo zidluliselwe kumagosa afanelekileyo kwaye ingxelo, apho kufanelekileyo, inikezelwe kwiKomiti kaMasipala ejongene neeAkhawunti zoLuntu.

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**MPAC CHAIRPERSON**

**yagyah adams**  
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adams  
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- ☒ RECOMMENDED
- ☐ REFUSED
- ☐ REFERRED BACK



## REPORT TO MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

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1 ITEM NUMBER SPMPAC 04/05/21

2 SUBJECT

OVERSIGHT REPORT IN RESPECT OF THE 2019/2020 ANNUAL REPORTS FOR  
THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES

ONDERWERP

TOESIGVERSLAG OOR DIE 2019/2020-JAARVERSLAE VIR DIE STAD KAAPSTAD  
EN SY MUNISIPALE ENTITEITE

ISIHLOKO

INGXELO YOKUBEK' ILISO EPHATHELELE KWIINGXELO ZONYAKA ZIKA-  
2019/2020 ZESIXEKO SASEKAPA NAMAQUMRHU ASO KAMASIPALA

LSU L3565

3 DELEGATED AUTHORITY

In terms of Part 20 Delegation 1(1) of the approved Council System of Delegations, the Municipal Public Accounts Committee (MPAC) must *“consider and evaluate the annual report, and the annual report of any municipal entity under the City’s sole or shared control, and to make recommendations to Council when it adopts the oversight report on the annual report in terms of section 129 of the Municipal Finance Management Act.”*

This report is FOR CONSIDERATION BY

- ☒ **Committee name:** Municipal Public Accounts Committee (MPAC)
- ☐ The Executive Mayor together with the Mayoral Committee (MAYCO)
- ☐ Council

4 DISCUSSION

Part 20 Delegation 1(1) of the Council System of Delegations, last amended by Council on 29 October 2020 (C 27/10/20), requires MPAC to *“consider and evaluate the annual report, and the annual report of any municipal entity under the City’s sole or shared control, and to make recommendations to Council when it adopts the oversight report on the annual report in terms of section 129”* of the Local Government: Municipal Finance

Management Act, Act 56 of 2003 (MFMA).

In terms of sections 129(1) and (2) of the MFMA:

- (1) *"The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, 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.*
- (2) *The accounting officer must—*
  - (a) attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report."*

MPAC's purpose in terms of paragraph 6.2 of their Terms of Reference (ToR) (C 22/08/19) is to perform an oversight function for Council in line with the leading practices applicable to MPAC and National Treasury Circulars and Guidelines, as adopted by Council.

The 2019/2020 Integrated Annual Reports of the City of Cape Town (CCT) (C 23U/03/21) and the Cape Town International Convention Centre (CTICC) and Cape Town Stadium (RF) SOC (C 13G/03/21) were tabled at Council on 31 March 2021.

The oversight process commenced on 9 April 2021 when the Auditor-General South Africa (AGSA) briefed MPAC on the 2019/2020 audit outcomes. Written questions/concerns were submitted to the City Manager and the Executive Management Team (EMT) on 16 April 2021. On 30 April 2021 MPAC met with the City Manager and the EMT to consider the responses to the questions/concerns raised by MPAC (refer to the minutes of MPAC oversight meeting held on 30 April 2021 which is attached as **Annexure A**). Comments and resolutions from the oversight process are contained in **Annexure B**. The Integrated Annual Report is made available at the Subcouncil offices and members of the public are invited to submit written comments or make representations via the Organisational Performance Management (OPM) department – no comments were received. No comments or questions were received from the portfolio committees (refer to **Annexure C**). MPAC is concerned with the lack of oversight by the Portfolio Committees and strongly encourages the Portfolio Chairpersons, in future, to interrogate the Annual Report at the Portfolio Committee meetings and submit questions to MPAC for consideration during the oversight process. The Audit and Performance Audit Committee's report to MPAC is attached as **Annexure D**.

MPAC has established task teams to investigate the unauthorised, irregular and fruitless and wasteful expenditure and other additional disclosures in terms of section 32(2) of the MFMA, and report to Council on conclusion of the investigations.

- 4.1 Financial Implications** ☒ None ☐ Opex ☐ Capex  
☐ Capex: New Projects  
☐ Capex: Existing projects requiring additional funding  
☐ Capex: Existing projects with no additional funding requirements

**4.2 Policy and Strategy** ☐ Yes ☒ No

**4.3 Legislative Vetting** ☐ Yes ☒ No

**4.4 Legal Compliance** ☒

Section 129 of the MFMA

**4.5 Staff Implications** ☐ Yes ☒ No

**4.6 Risk Implications** ☐ Yes ☒ No

## 5 RECOMMENDATIONS

Not delegated: for decision by Council

(1) The Municipal Public Accounts Committee (MPAC), having fully considered the 2019/2020 Integrated Annual Reports of the municipality and the municipal entities and representations thereon, **RECOMMENDS** that Council adopts the oversight report and approves the annual reports without reservations.

(2) It be **NOTED** that no questions/comments were received from the Portfolio Committees and subcouncils.

## AANBEVELINGS

Nie gedelegeer nie: vir besluitneming deur die Raad:

(1) Na volledige oorweging van die geïntegreerde jaarverslae vir 2019/2020 van die munisipaliteit en die munisipale entiteite en versoë daaroor, die munisipale komitee oor openbare rekeninge (MPAC) **AANBEVEEL** dat die Raad die toesigverslag aanneem en die jaarverslae sonder voorbehoud goedkeur.

(2) Daar **KENNIS GENEEM WORD** dat daar geen vrae/kommentaar van die portefeuljekomitees en subrade ontvang is nie.

## IZINDULULO

### Aziqunyaziswanga: isiqqibo seseBhunga:

- (1) IKomiti kaMasipala ejongene nee-Akhawunti zoLuntu (MPAC), ekubeni ithathele ingqalelo ngokupheleleyo iiNgxelo zoNyaka eziHlanganisiweyo zikamasipala zika2019/2020 nezamaqumrhu kamasipala neengxelo-nkcaza, mayenze **ISINDULULO** kwiBhunga lokwamkela ingxelo engobek'iliso kwaye liphumeze iingxelo zonyaka ngaphandle kwemiqathango.
- (2) Kufuneka **KUQWALASELWE** ukuba azikho izimvo/imibuzo eye yafunyanwa kwiiKomiti zeMicimbi yeSebe nakumabhungana.

## ANNEXURES

- ANNEXURE A: Minutes of the MPAC meeting held on 30 April 2021
- ANNEXURE B: Schedule of outstanding comments and resolutions from the MPAC oversight process
- ANNEXURE C: Questions/comments from the Portfolio Committees and the Subcouncils/Public
- ANNEXURE D: Report of the Audit and Performance Audit Committee

## FOR FURTHER DETAILS CONTACT

NAME (AUTHOR)	Antoinette Moolman	CONTACT NUMBER	021 400 9297 / 082 397 0810
E-MAIL ADDRESS	<a href="mailto:AntoinetteRene.Moolman@capetown.gov.za">AntoinetteRene.Moolman@capetown.gov.za</a>		
DIRECTORATE	Office of the City Manager	FILE REF NO	2/9/1/2
SIGNATURE (AUTHOR)	 Digitally signed by Antoinette Moolman Date: 2021.05.14 10:56:03 +02'00'		

## MPAC CHAIRPERSON

yagyah adams <small>Digitally signed by yagyah adams Date: 2021.05.14 11:32:05 +02'00'</small>
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COMMENT:

## 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

**Joan-Mari Holt** Digitally signed by Joan-Mari Holt  
Date: 2021.05.17 08:55:22 +02'00'

COMMENT:

Certified as legally compliant based on the contents of the report.

- MINUTES -

**OF THE SPECIAL MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
HELD VIA THE CITY'S VIRTUAL PLATFORM (SKYPE) ON FRIDAY, 30 APRIL 2021  
AT 10:00**

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**PRESENT**

**COMMITTEE MEMBERS**

**CAPE MUSLIM CONGRESS**

Cllr Y Adams (Chairperson)

**DEMOCRATIC ALLIANCE**

Cllr K Southgate (Deputy Chairperson)

Cllr E Anstey

Cllr C Fry

Cllr J Mbolompo

Ald. S Moodley

Cllr A van Zyl

Cllr J Witbooi

**AFRICAN NATIONAL CONGRESS**

Cllr D Khatshwa

Cllr B Majingo

Cllr B Ngcani

**FREEDOM FRONT PLUS**

Cllr F Botha-Rossouw

**ECONOMIC FREEDOM FIGHTERS**

Cllr L Mazwi



**OFFICIALS**

L Mbandazayo	: City Manager
Z Hoosain	: Chief Audit Executive
E Sass	: Community Services and Health
L May	: Community Services and Health
S Elloker	: Community Services and Health
C January	: Corporate Services
B Peters	: Corporate Services
G Morgan	: Corporate Services
L Sithole	: Corporate Services
K Nassiep	: Energy and Climate Change
L Rencontre	: Energy and Climate Change
H Mostert	: Energy and Climate Change
D Leeuwendaal	: Energy and Climate Change
R Gelderbloem	: EO & AM
L Greyling	: EO & AM
K Jacoby	: Finance
D Valentine	: Finance
L Fortune	: Finance
L Baard	: Finance
R Garman	: Forensic Services
N Gqiba	: Human Settlements
R Rughubar	: Human Settlements
W Adams	: Human Settlements
M Goodwin	: Human Settlements
A de Waal	: Human Settlements
A Delport	: Human Settlements
A Moolman	: Internal Audit
F Arendse	: Internal Audit
A Page	: Legal Services
R Sayed	: Legal Services
G Postings	: Office of the City Manager
O Vumindaba	: Office of the City Manager
K Nicol	: Office of the Speaker
L Ndaba	: Probity
K Motaung	: Probity
T Singatha	: Probity
A Karriem	: Probity
V Botto	: Safety and Security
L Desouza-Zilwa	: Safety and Security
R Wiltshire	: Safety and Security
S Groep	: Safety and Security
A Albertyn	: Safety and Security
E Naude	: Spatial Planning and Environment

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R Melody	: Transport
A De Ujfalussy	: Transport
N J Pieterse	: Transport
P Vink	: Transport
B Gerber	: Urban Management
S Mayekiso	: Urban Management
A Arendse	: Urban Management
Z Ngqangweni	: Urban Management
M Kgolane	: Urban Management
E Dick	: Urban Management
I Robson	: Urban Management
A Graham	: Urban Management
Z Basholo	: Water and Waste
S Bashe	: Water and Waste
M Killick	: Water and Waste
R Keraan	: Water and Waste
M Matiwane	: Water and Waste
E Hlongwane	: Water and Waste
R Razack	: Executive Committee Services
G Josephs	: Executive Committee Services
E Fray	: Executive Committee Services

**ENTITIES**

T Motlhabane (CTICC)  
W De Wet (CTICC)  
L de Reuck (CTS)  
F Parker (CTS)  
G Woodburn (CTS)

**APOLOGIES**

G Kenhardt  
M Webster  
D Campbell  
A Vorster

**SPMPAC 06/04/21 OPENING**

The Chairperson, Cllr Y Adams, welcomed everyone present to the meeting and requested that a moment of silence be observed.

The Chairperson also extended a word of welcome to the officials from the CTICC and Cape Town Stadium.

**SPMPAC 07/04/21 APOLOGIES / LEAVE OF ABSENCE**

Apologies for not being able to attend the meeting were received in respect of the following officials:

Mesdames G Kenhardt and D Campbell, Messrs M Webster, A Vorster.

**SPMPAC 08/04/21 DECLARATION OF INTEREST**

Ms G Postings declared her function in terms of completing the UIFW register and processing SCM deviations in the Office of the City Manager.

Mr D Valentine informed the meeting that he is a material stakeholder with the Annual Report and Annual Statements and also assisted the CFO with the Finance Directorate responses.

**SPMPAC 09/04/21 QUESTIONS SUBMITTED BY COUNCILLORS ON THE CITY'S 2019/20 ANNUAL REPORT AND ANSWERS GIVEN BY THE CITY MANAGER AND EXECUTIVE DIRECTORS**

It was agreed that questions first be addressed to the officials from the entities.

Cllr Anstey enquired about the recourse for the City if the Western Province Rugby Union (WPRU) is not able to pay the City in terms of their lease agreement for the Cape Town Stadium (CTS), and whether it is wise for the City to offer them commercial space. Cllr Anstey also enquired whether all the staff of the CTS has taken their leave or have they arranged to take their leave up to December

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2021, or would the leave be carried over to 2022. Mr de Reuck said that the CTS has signed a non-disclosure agreement with WPRU and, if satisfied, he will engage with Cllr Anstey personally regarding this matter. Mr de Reuck said that the agreement with WPRU includes certain safeguards in respect of their rental agreement. Mr de Reuck said that staff had made arrangements for leave, but he was unable to confirm whether staff will have taken all their leave. Mr de Reuck said that numerous events would be held at the Cape Town Stadium, including rugby and soccer matches and film shoots.

Cllr Southgate enquired how the effectiveness of the CTS staff are measured given the Covid-19 Regulations. Mr de Reuck said that current events at the CTS are hosted without spectators, hence the full events team are at the Stadium, but a very tight Covid-19 programme is deployed for any event. Mr de Reuck said that the staff are managed effectively and bi-weekly meetings are held with the Managers regarding performance. In response to a question raised by Cllr Southgate whether any staff was working remotely, Mr de Reuck said that some staff members with comorbidities are working remotely, but they are required to attend meetings at the office periodically.

Cllr Witbooi said that he had noticed that CTS has changed their accounting system to GRAP standards. Ms Parker said that the GRAP 23 standards were applied to the lease agreement between the City and CTS.

In response to questions raised by Ald Moodley about bonus payments, Mr de Reuck said that CTS will take guidance from the City of Cape Town in this regard.

Cllrs Southgate and Adams expressed sentiments of gratitude towards the officials from CTS and wished them well for the future. The officials from CTS were excused from the meeting at this stage.

At this stage Ms Motlhabane introduced herself as the CEO of the CTICC and also introduced the CFO, Mr. Wayne De Wet.

Cllr Anstey enquired why the CTICC did not furlough their staff instead of electing the option of retrenchments. Cllr Anstey also enquired whether all the staff of the CTICC had taken their leave or whether they have arranged to take their leave up to December 2021 or would the leave be carried over to 2022. Cllr Anstey also enquired whether there were any potential claims against business interruption insurance. Mr W de Wet said that the CTICC will keep core staff for hosting of events in the future and that Temporary

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Employer / Employee Relief Scheme (TERS) applications were made successfully in respect of some of the lower level staff that were not gainfully employed for the full extent of the working hours per month. Mr de Wet said that certain events were held at the CTICC, and also mentioned that the CTICC was used as a field hospital last year during the Covid-19 pandemic. Mr de Wet said it was initially not fully necessary to furlough all the staff as some events were anticipated, but when the events did not materialise, there was a rationalisation of staff. Mr de Wet said for future events, staff will be employed on a time-cost basis.

In response to a question raised regarding the number of staff that has been seconded to the City by the CTICC, Mr. de Wet said that at least 16 of the staff members will commence with the City during the next week, but more could follow.

In response to the question raised by Cllr Anstey about leave, Mr. de Wet explained that the leave balances were reduced drastically, hence the payouts were reduced for staff who were retrenched, as well as those who took voluntary packages. In respect of the insurance claim, Mr. de Wet said that this matter is under scrutiny and that the claim is R10 million per event up to R50 million per year. Mr. de Wet said that the CTICC submitted a claim for R50 million, but that a probable claim of R10 million will be entertained. The Attorneys are also looking at this matter, and claims are also limited to yearly periods.

In response to a question from Cllr Southgate, Mr. de Wet elucidated on the response in respect of the Human Capital Development plan for the CTICC and further explained that the training was linked to the Workplace Skills Plan (WSP) as submitted to CATHSSETA.

Ald Moodley referred to the comment in respect of “Sell the new Class C share to the City only when cash resources are at a critical level”, and enquired what is the long-term vision with regard to a “fall-back” plan in this regard. Mr de Wet explained that it is common belief that events will be hosted at the CTICC in the future, and that in the event of delays, strategic plans include that various role players will be co-opted to brainstorm future events. Ms Motlhabane added that plans at the strategic session in June 2021 will also include a review of the CTICC’s business model and, because Covid-19 is an unprecedented event, possibly other ways of conducting business will be considered. Ms. Motlhabane said that plans could include a consultation with various clients with a view to attracting international interest, or to contemplate the possibility of

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warehousing of the current facility. Ms. Motlhabane said that an assessment of current market needs for the long-term will be undertaken, as well as the feasibility of generating new income streams.

In response to questions raised by Cllr Witbooi regarding the accounting system used by the CTICC, Mr. de Wet said that GRAP principles were deployed from the date the MFMA was applicable to the CTICC.

Cllr L Mazwi enquired what will happen to the workers while the CTICC was waiting for larger events. Mr. de Wet said that the CTICC's sales staff are in the process of procuring events and business contracts have been attracted for the next 3 years. Mr. de Wet said that the CAPEX was cut to the bare minimum and current staff are utilized to do maintenance on the building to ensure that the main assets do not deteriorate.

Members of MPAC extended a word of appreciation to the officials of the CTICC and wished them well for the future. The officials were excused from the meeting at this stage.

It was proposed for the rest of the Agenda, that instead of going through each question and response, MPAC members only raise follow-up questions in respect of the responses and where further responses are not available, the City's officials be requested to provide the responses by email.

In respect of question 10, Cllr Anstey enquired when last the City checked for "ghost" employees, and how many of the City staff passed away as a result of Covid-19 since March 2020. Also, how many staff took sick leave and how many staff members are still on sick leave. Cllr Anstey was also concerned that since becoming a City Councillor the number of employees grew from ± 22 000 to ± 29 617, and consequently have an impact on the salary bill. Cllr Anstey enquired whether there were any plans on the rationalisation of the City's staff going forward.

Cllr Southgate also enquired how many of the City's staff are working from home, and said that in terms of the response there were quite a number of staff at work, but could not perform the required tasks due to the Covid-19 Regulations. Cllr Southgate enquired how the situation escalated, given that huge backlogs in terms of road maintenance and other maintenance repairs occurred.

Ms. L Sithole said that an assessment of ghost employees was not

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done recently, but the controls in place, the system deployed and the audits performed, gives comfort that there are no “ghost” employees in the City. The City Manager, Mr. L Mbandazayo said that such an assessment was done before the introduction of the current electronic finger clocking system, and checks are performed regularly that the current system is adhered to. In response to the questions raised by Cllr Anstey about the number of employees that passed away due to the Covid-19 pandemic and the number of staff that took sick leave, Ms. Sithole said that a number of staff passed on due to the pandemic and the numbers will be made available. Ms. Sithole said that there is also a database of staff that cannot perform the full extent of their duties due to comorbidities. In response to the question raised regarding rationalisation, Ms. Sithole said that the City Management is guided by the requirements of the various Directorates to fill vacancies and that checks and balances are in place, in consultation with the Finance Directorate. Mr. Mbandazayo said that he was concerned about the escalating salary bill of the City long before the Covid-19 pandemic, hence the establishment of a Committee to assess the filling of vacancies. Mr. Mbandazayo said that there are mechanisms in place, and Directorates were also urged to determine that, while some staff work from home and operations continue, whether the balance of staff are required, as a way to minimize the City’s staff establishment. Cllr Anstey felt that staff will not voluntarily be reduced, and it appears the only way to reduce the number of staff is if the City Manager issues an instruction to each Directorate to reduce their numbers. The CFO, Mr. K Jacoby, said that the City’s escalating salary bill has been monitored over a number of years, and it is believed the salaries and wages spent should proportionately be adjusted. Mr. Jacoby said that the City Manager instructed that the unfunded mandates be reviewed and analyzed and while there is a battle for funding, there is a drop in service levels. Mr. Jacoby said that sometimes the City is paying for functions which should be National or Provincial functions. Mr. Jacoby said that there is a current technical review being undertaken, which is in fact a rationalisation exercise, but because of political influence, a strong political leadership decision is required in this regard.

Cllr Southgate said that with Alert level 5 the City was able to provide services to its communities with less staff, and now that the Country is in Alert level 1 there should be a review on how things could change. Cllr Southgate referred to the percentage of senior staff members working from home, and enquired how effective it is for staff on these levels to be working from home, as many of these staff are ultimately responsible for the irregular expenditure that

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MPAC often considers. Cllr Southgate said that it is also often found that lower level management staff are not monitored as required, and enquired how many of the higher level staff are still working from home and what is the City doing under Alert level 1 to ensure that more staff return to work. Cllr Southgate also referred to non-essential work not being attended to under Alert level 5, as well as work being regarded as emergency work under that level, while some staff members were at home, and enquired what has changed during the last 6 months in terms of addressing these issues. Cllr Southgate also enquired whether these staff were on full salary packages, and whether the City could apply for TERS benefits in respect of some of the staff. In response to the question raised regarding the senior officials and the effectiveness of operations, Ms. Sithole said that in terms of the performance management system, which was also used during all alert levels, the expected task levels were monitored in terms of timelines and deliverables. Ms. Sithole also said that Directorates are required to report on their performance deliverables on a monthly basis to the City Manager. In response to the question raised regarding the essential workers, Ms. Sithole said that a back-to-work plan was deployed where Directorates had to decide on staff returning to work in terms of requirements. Ms. Sithole said that most of the employees that could not work previously in terms of the risk assessment, are back at the workplace, when required. Ms. Sithole said that there are frontline services that are necessary to be performed and staff were deployed during the opening of various alert levels. Ms. Sithole said that all employees were on full pay during all alert levels. In response to the questions raised regarding TERS benefits, Ms. Sithole said that this was considered and there were certain obligations regarding the financial liquidity of organisations, and there were also qualifying criteria. Ms. Sithole said that a report can be made available regarding the applicable guidelines in this respect.

Mr. Mbandazayo said that lockdown was not an excuse for staff not to be at work and that if there is a need for an employee to be at work, whether physically or remotely, such employee must adhere, depending on the job requirements. Mr. Mbandazayo said that the flexi-time system did not work in terms of the alleviation of traffic congestion, but in terms of the remote working, the City can contribute to traffic congestion alleviation. Mr. Mbandazayo said that the City's Management must ensure that the performance levels are not dropping as a result of employees working remotely and that measures were in place for Directorates to report which services could not be rendered.



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Cllr Khatshwa said that information is required in respect of the increase in the number of City employees, and also requested to be provided with a breakdown of the City's staff with disabilities, as well as a racial breakdown of the senior management structure. Ms. Sithole said that she will provide this information at a later stage.

Ald Moodley commended the City Manager and Senior Staff of the City for all their efforts. Ald Moodley was of the view that the impact of the appointment of staff on the City's budget should be considered and enquired at which level the new employees were required. Ald Moodley felt that depending on the level of appointment, there will be an impact on the budget on a sliding scale, and it was also noted that the population of the City has increased over the last ten years, placing a higher demand on services. Ald Moodley felt that while the City's Administration is urged to reduce the number of staff, there should be a balance in terms of the greater demand and consideration should be given to reducing the structure in the area of middle management. Ald Moodley expressed support for the concept of traffic congestion alleviation and also in support of remote working, as long as checks and balances are in place.

Mr. Jacoby expressed support for the comments made by MPAC and said that the City does not accrue the amount of revenue during the pandemic that it should and that the City, as Local Government, should remain in "its lane". Mr. Jacoby made reference to an earlier comment that the City is forced to render unfunded mandates in terms of some services that should be rendered by Provincial and Central Government. Mr. Jacoby mentioned primary health care services and library services, as an example, although the relevant Executive Directors (EDs) have strategies regarding the delivery of these services. Mr. Jacoby said that Mr. Craig Kesson is currently reviewing all the unfunded mandates of the City and will make a recommendation at the appropriate time. Mr. Jacoby said that a decisive consideration will be required by the political leadership at some stage.

Cllr Southgate referred to the response regarding question 12, in relation to "Illegal Dumping comprises of approximately 48% of the waste managed by Cleansing", and enquired what effective strategies the Waste Management department has employed in this regard. Mr R Keraan explained that for the last few years, in the face of budget constraints, the department had to employ technical responses, as well as measures of awareness and education to communities, informal settlements, schools and businesses, to change thinking on illegal dumping. Mr Keraan explained that

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education drives have intensified during the last few years and includes engaging communities on a grassroots level to attempt obtaining community buy-in and to take ownership of their areas. Mr Keraan said that the strategy is a huge success in some areas where communities adopted their public space, but in some areas the success rate is less-evident. In response to a question raised regarding illegal dumping on private properties, Mr Keraan said that there is a policy position in respect of dumping on private properties, where notices are issued through the By-Law Section to remove the waste. Mr Keraan said that the notices will be repeated until a certain point, and when the notices are not adhered to, the City will remove the waste and bill the owners. Mr Keraan said that this was found to be a deterrent, and in most cases the waste is found to be builders' rubble or demolition and construction waste. Mr Keraan said that the developers with bigger construction projects are required to submit a waste management plan, to be approved by the City, and to ensure that there is a responsible person for the disposal of construction waste.

In response to the question raised regarding question 13 relating the City's efforts to invest 90% of the Urban Settlements Development Grant (USDG) for the year, Mr Jacoby explained the response with regard to the R60 million re-allocated from the City of Cape Town, and the City's ability in respect of 99.8% to spend or contractually commit its available USDG funds. Mr Jacoby said that the City has a Strategic Management Forum, IDP, Sector Plans, and a Growth Development Strategy in place and aligns the City's resources in terms of these strategies.

In response to questions raised by Ald Moodley regarding the building plans approved (Question 15) and the turnaround time with regard to comments from the various role-players, Ms. E Naude said that turnaround times are tracked with regards to building plan applications and Land Use Management (LUM) applications. Ms. Naude said that through SDBIPS specific targets have been set in respect of turnaround times for various plans and targets are met, albeit there was a slow-down of the LUM applications during the last few months due to Covid-19. In response to questions raised by Cllr Anstey in respect of the R5.2 billion value of building work approved, and enquired whether this value was only for the period indicated. Ms Naude said that the items in Annexure B are for the period 27 March 2020 until 31 July 2020, and that the full value for the year is approximately R16 billion, and the information is available, if required. Ms Naude said that the R5.2 billion was reported in the Annual Report. No further information was requested.

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In response to questions raised by Cllr Anstey regarding the Political Party arrears (Question 61) and what "R400 664.55 resolved" in respect of the ANC means, Mr Jacoby explained that the "resolved" means that the amount was paid.

Ald Moodley raised questions to the City Manager in respect of question 63, relating to when Project Managers, middle management and lower level staff are given the responsibilities to work within regulations, are they required to sign documents regarding the requirements. Ald Moodley was concerned that officials from the City might retire and return as consultants, meaning that there is no proper succession planning. Ald Moodley requested that the City Manager respond on the irregular expenditure and whether further mechanisms can be put in place in this regard. Mr Mbandazayo said that the monitoring of staff is on the scorecards of the EDs and that EDs are monitored by the City Manager with regard to irregular expenditure. Mr Mbandazayo said that directives were issued, but that mind-sets have to change and that especially Senior Officials and experienced staff must be proactive to avoid the occurrence of irregular expenditure. Mr Mbandazayo said that it was found that some officials believed that the Construction Industry Regulations trumps the MFMA, despite the directives and other arrangements that are in place. Mr Mbandazayo said that it appears that the only remedy is consequence management. On the issue of succession planning, Mr Mbandazayo said that there were many request for post-retirement contracts in order to transfer skills. Mr Mbandazayo said that this transfer of knowledge and skills should occur during the time officials work for the City, and not because officials are indispensable. Mr Mbandazayo said that the transfer of skills should be part of the Work Skills Plan (WSP) to empower employees to be able to move to the next level. The Chairperson, Cllr Adams, said that consideration should be given that if experienced officials do not want to transfer knowledge and skills, punitive measures should include the withholding of performance bonuses.

Cllr J Witbooi expressed empathy with the City Manager and was of the view that as officials are bound by a contract, and if they do not adhere, the employ of such officials should be terminated. Cllr Witbooi said that consideration should be given to employ new graduates, rather than to "recycle" staff.

Cllr van Zyl referred to question 77 and was not satisfied with the response in this regard. Cllr van Zyl said that it should be ensured that the Annual Report reflects accurate information. Mr L Greyling explained the response. Cllr van Zyl said that the period under

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review is 2019/20 and it was stated that “it plans to repeat in the 2019/20 financial year “and asked if it should have stated the repeat for the next year (i.e. 2020/21). Mr Mbandazayo also reiterated the concern of Cllr Van Zyl. Mr Greyling undertook to communicate with Cllr van Zyl regarding this matter and will send an updated response to MPAC.

Cllr van Zyl referred to the response regarding question 86 and said that an update was requested with regards to the “Upgrade to key strategic assets”, and that the information was not provided in the response. Mr E Sass undertook to email the response to Cllr van Zyl following this meeting.

Cllr van Zyl referred to the response regarding Question 89, the “Law enforcement advancement project”, and was of the view that the target of 1000 additional officers was not reached. Cllr van Zyl, however noted the earlier comment about unfunded mandates.

Cllr van Zyl further referred to the response regarding Question 90, the “Auxiliary law enforcement project: Expanding the City’s law enforcement capacity”, and enquired whether the auxiliary officers are getting paid.

Mr R Wiltshire said that in response to question 89, for the shortfall of 49 Law Enforcement Officers (LEOs), the positions were filled plus an additional 250 LEOs were appointed in April this year, and that the last 250 LEOs will be appointed by July this year. In terms of the questions raised regarding the auxiliary staff, Mr Wiltshire confirmed that it was staff working outside the City and were not remunerated by the City.

In response to questions raised by Cllr van Zyl regarding the purpose of the R5 416 952.55 in the 2019/20 financial year and R1 250 000.00 in the 2020/21 financial year, Mr Wiltshire said that the funding was spent on vehicles, uniforms, training and development in both financial years. Mr Wiltshire also confirmed that the vehicles were procured in 2019/20 financial year.

Cllr van Zyl referred to the response regarding question 95, “Wallacedene 4-in-1 CSH”, and enquired who made the decision and whether it was communicated to the Subcouncil and the affected community. Mr Sass said that part of the facility is a clinic and that he had engaged with the Provincial Government regarding their development plans and could therefore not proceed with that, and also the operational impact of the facility made it impossible to proceed with previous plans.

Cllr van Zyl referred to the response regarding question 98, "The public participation process plan", with reference to the last sentence of the response, and queried how the number of engagements were more if movement was restricted. Adv. Robson said that the information was based on the different types of engagements and that an extensive preparation plan was in place. Adv. Robson said that the launch could not continue as Alert level 5 commenced and certain engagements had to be cancelled. Adv. Robson said that hybrid platforms had to be considered in terms of virtual meetings. Cllr van Zyl said that she will engage with Adv. Robson regarding this matter.

Cllr van Zyl referred to the response regarding question 102, "expenditure management", and said that the last part of the response was missing.

Mr Jacoby undertook have the information forwarded to MPAC.

Ald Moodley also enquired about the response regarding questions 101, "Underspending of the budget", and 102, "expenditure management", and enquired whether the underspending had an impact of the ratepayers. Mr Jacoby explained that a budget must be set aside and tariffs set to provide for the revenue to pay for the expenses. Mr Jacoby said that when there is underspending, for whatever reasons, it is still used for the benefit of the ratepayers. Mr Jacoby said that savings inform the underspending and consideration is given to the priorities.

Cllr Southgate referred to the response in respect of question 106, "Unauthorized expenditure Fruitless and wasteful expenditure" and said that amount of "R6 567" should be corrected to read "R6 567 348.32". Mr Jacoby agreed.

Cllr Southgate said that it was mentioned that the Annual Report was not circulated to the Portfolio Committees and Subcouncils.

Ms C January explained that the process has changed since 2016/17 as this is covered by the full Public Participation and oversight process by circulating the Annual report to Libraries and Subcouncils. Ms January said that the City's Internal Audit Department sends a message to Portfolio Committees and Subcouncils that the Annual report is out in the public domain and responses can be made in respect of the report. Ms January confirmed that no comments have been received to date, although MPAC can decide whether the Annual report should be circulated to

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Portfolio Committees and Subcouncils.

Ms G Postings said that as the oversight process was still in progress, nothing precludes the Annual Report to be submitted to Portfolio Committees and Subcouncils for comment, and that the relevant authorities should be consulted regarding this. Ms Razack undertook to look into the matter of tabling the Annual Report at the next Portfolio Committee and Subcouncil meetings.

Public participation was still open until 7 May 2021.

Members of MPAC thanked the officials for the responses provided.

**RESOLVED** that:

- (a) The questions and indicator on resolution, or not, on the City's and Entities' 2019/2020 Annual Report be included in the Oversight Report to Council.
- (b) The following information be provided to MPAC at the next MPAC meeting:
  - (i) The CEO of the Cape Town Stadium will engage with Cllr Anstey regarding the agreement with WPRU.
  - (ii) The Director: HR provide Cllr Southgate with a report detailing the obligations regarding the financial liquidity of organisations, and qualifying criteria in respect of TERS.
  - (iii) The Director: HR provide Cllr Khatshwa with a breakdown of the City's staff with disabilities and a racial breakdown of the senior management structure.
  - (iv) The Director: Enterprise and Investment to send an updated response to MPAC regarding the statement on the Business Brand Project.
  - (v) The ED: Community Services and Health to provide an update regarding the "upgrade to key strategic assets".
- (c) The Manager: Committee Services to look into the matter of tabling the Annual Report at the next Portfolio Committee and Subcouncil meetings.

**RECOMMENDED** that:

- (a) The City's and Entities' 2019/2020 Annual Report be adopted

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without reservation.

(b) It be noted that no questions/comments were received from the Public, Portfolio Committees and Subcouncils by 30 April 2021

**ACTION: R RAZACK, G JOSEPHS, E FRAY, A VORSTER, A MOOLMAN, L DE REUCK, L SITHOLE, L GREYLING, E SASS,**

**THE MEETING ENDED AT 12:41.**

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**CHAIRPERSON: CLLR Y ADAMS**

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**DATE**

# ANNEXURE B

## SCHEDULE OF OUTSTANDING COMMENTS AND RESOLUTIONS FROM THE MPAC OVERSIGHT PROCESS

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
CITY OF CAPE TOWN				
1	10	K Southgate	<p>(a) The Mayor indicated that we are committed to rebuilding our economy. What strategies and plans have we implemented to boost economic growth?</p> <p>(b) Which sectors are being targeted and why?</p> <p>(c) How will this serve to generate jobs within our local communities?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	R Gelderbloem
2	10	K Southgate	<p>(a) R5,2 billion in building plans were approved. Provide a breakdown of public and private developments?</p> <p>(b) The types of developments and the locations?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	E Naude
3	11	K Southgate	<p>Please explain what exactly the funds (i.e. recent transfer of R54m to boost the Atlantis special economic zone (SEZ)) will be used on and how it will be used to create thousands of jobs.</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	R Gelderbloem
4	11	K Southgate	<p>(a) Referring to the 2019 South African customer satisfaction index, assuming the score is out of 100, then 64.1 is a low score and it does not help comparing the City of Cape Town with other cities in SA. In the corporate sector some companies get 84%.</p> <p>(b) What is the international benchmark?</p> <p>(c) What were the sentiments expressed by those 35,9% and what are we doing to reduce that?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	G Kenhardt
5	11	K Southgate	<p>(a) In respect of the R3.3bn relief package, have the numbers of recipients increased or decreased?</p> <p>(b) What are the reasons for such increase or decrease?</p> <p>(c) Provide a breakdown of the beneficiary groups by age and locality?</p> <p>(d) What measures have been put in place to verify and validate indigent information and to ensure the integrity of the system and to protect it from abuse?</p>	K Jacoby



NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
6	12	K Southgate	<p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>(a) How many staff worked from home and what percentage is that of the City's overall staff complement?  (b) Which staff levels were most affected?  (c) How do you measure the effectiveness of remote working?  (d) What monitoring mechanisms have been introduced to ensure that the system is not abused?  (e) Does the City have a business continuity plan and did it make provision for an event such as COVID 19?  Provide details if such a plan exists.  (f) Which offices were able to provide services to residents remotely.  (g) How were the cleaning services managed in order to mitigate the health risks to citizen?  (h) What was the overall being on service delivery?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p><b>ADDITIONAL QUESTION RAISED AT THE MEETING ON 30 APRIL 2021</b></p> <p>(a) Cllr Southgate enquired whether staff working from home under alert level 5, who were unable to perform their functions, were on full salary packages, and whether the City could apply for Temporary Employer / Employee Relief Scheme (TERS) benefits in respect of some of the staff.  (b) Cllr Khatshwa requested additional information in respect of the increase in the number of City employees, and also requested a breakdown of City's staff with disabilities, as well as a racial breakdown of the senior management structure.</p> <p><b>MATTERS WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</b></p> <p>(a) What gave rise to the outcry from residents regarding the City's failure to collect refuse on time?  (b) Provide details and indicate what has been done to mitigate against future disruptions?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>Our priority has always been the delivery of consistently excellent services. If this is the case, then why are our townships and Informal settlements so filthy. This is clearly visible when one drives along the N1 and N2?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>(a) If the City still managed to invest 90% of the Urban Settlements Development Grant (USDG) funding for the year, were any savings generated as a result of not being able to function during certain periods of lockdown.</p>	G Kenhardt
7	12	K Southgate	<p><b>MATTERS WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</b></p> <p>(a) What gave rise to the outcry from residents regarding the City's failure to collect refuse on time?  (b) Provide details and indicate what has been done to mitigate against future disruptions?</p>	M Webster
8	12	K Southgate	<p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>Our priority has always been the delivery of consistently excellent services. If this is the case, then why are our townships and Informal settlements so filthy. This is clearly visible when one drives along the N1 and N2?</p>	M Webster
9	13	K Southgate	<p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>(a) If the City still managed to invest 90% of the Urban Settlements Development Grant (USDG) funding for the year, were any savings generated as a result of not being able to function during certain periods of lockdown.</p>	K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			<p>(b) Page 276 The AG indicated that National Treasury was concerned that the City would not be able to spend its USDG allocation. Give reasons as to why National Treasury thought this.</p> <p>(c) What did we do to address the situation?</p> <p>(d) Why did NT withhold R 60m of the grant funding because of "significant under performance? Please explain and what have we done to prevent a reoccurrence.</p> <p>(e) What have we done to improve our performance?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	
10	16	K Southgate	<p>(a) The AGSA referred to the City as having a steady population growth in recent years and that this trend is set to continue, with any possible changes or effects on population growth post-COVID-19 to be monitored. What mechanisms are in place to track the increase in population growth with special reference to people coming into Cape Town from across our borders and those coming from other provinces?</p> <p>(b) Why are they choosing Cape Town as their home?</p> <p>(c) What impact is this having on our existing resources?</p> <p>(d) Where are people settling?</p> <p>(e) How are we monitoring growth?</p> <p>(f) Has the increase in population lead to an increase in land invasions and what has the City done to mitigate the risks?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>Where has the City pioneered the use of serviced portable flush toilets and when will it be rolled out?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>(a) If 99.74% of informal settlements have access to door to door refuse collection service or on going area cleaning services, how often does this occur and what is the City's plan to ensure improved in the townships and informal settlements given the health risks and the state of litter in these areas.</p> <p>(b) Explain why some informal settlements experience a break in service due to tenders not being in place. What mechanisms have been put in place to mitigate against this risk?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>COVID-19 presented many challenges. How many additional communal water points were installed and how does this reflect on our overall targets?</p>	N Gqiba
11	22	K Southgate		M Webster
12	22	K Southgate		M Webster
13	22	K Southgate		M Webster

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
14	23	K Southgate	(a) What are the new management tools referred to? (b) Who has developed these tools (c) Who has used these tools before (d) Have they been assessed and are they applicable to our environment?	E Naude
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
15	23	K Southgate	The MSDP promotes an inward growth rationale. This is all well and good but have you determined the densification limit and what about the impact on the environment?	E Naude
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
16	24	K Southgate	(a) With an increase in access to free basic education why are we seeing an increase in people under the age of 20 without schooling? (b) Have we done research into this tendency If yes provide details (c) If no, why not?	E Sass
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
17	25	K Southgate	(a) In terms of the Capital Expenditure Framework, what progress has been made regarding the consideration of a Capital expenditure Framework that augment the content of the BEPP guidelines? (b) Provide details and associated timelines	E Naude
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
18	32	K Southgate	(a) EMT requested that a King IV Maturity Assessment be undertaken to determine the extent to which King IV principles and practices are being applied within the City. The Office of the Portfolio Manager: Probity has been tasked with this exercise and has commenced with a review. This is a critical exercise to ensure good corporate governance. Does an interim report exist? (b) Has someone been appointed to do a review or is it being done internally and if yes can a copy of the draft be made available. (c) If No, why not and when can a draft be expected?	City Manager (Probity Services)
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
19	32	K Southgate	(a) A key performance indicator on EDs' personal scorecards monitors and measures the implementation of remedial action to address the issues identified by the independent internal assurance providers. Have any weaknesses been identified and in which sectors? Provide details.	City Manager G Kenhardt

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			<p>(b) Do the performance agreements of EDs incorporate a risk management and performance indicators as criteria for performance assessments?</p> <p>(c) If yes, what was the outcome of the 2019/20 assessment and did everyone meet the necessary targets?</p> <p>(d) If not, why not – provide details.</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	
20	33	K Southgate	<p>(a) Who is the service provider who manages the fraud hotline?</p> <p>(b) How many reported have they received since appointed/</p> <p>(c) What has been the costs to the City?</p> <p>(d) What is the status of each of the cases reported to the hotline?</p> <p>(a) <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>(a) Has an SOP and consequent management registered been completed?</p> <p>(b) During the year under review how many officials have undergone Consequent management actions for failing to comply with legislation, not complying with SCM regulations and/or exercising poor contract management?</p> <p>(c) What has been the extent of these measures and have they resulted in behavioural change? If yes, provide details. If not, why not.</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	City Manager (Probity Services: Forensics)
21	33	K Southgate	<p>(a) Has an SOP and consequent management registered been completed?</p> <p>(b) During the year under review how many officials have undergone Consequent management actions for failing to comply with legislation, not complying with SCM regulations and/or exercising poor contract management?</p> <p>(c) What has been the extent of these measures and have they resulted in behavioural change? If yes, provide details. If not, why not.</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	City Manager (Probity Services)
22	36	K Southgate	<p>(a) Provide a breakdown of the categories of complaints in respect of the 1395 complaints received by the ombudsman?</p> <p>(b) How many of these cases were resolved?</p> <p>(c) What is the average timeframe that it takes to resolve cases as it appears that cases remain unresolved for long periods of time?</p> <p>(d) What is being done to reduce the turnaround of outstanding cases?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	City Manager (Probity Services: Ombudsman)
23	38	K Southgate	<p>(a) What tools do you use to identify the specific skills to identify the correct training?</p> <p>(b) Is it an integrated approach and who do you work with to determine the focus areas?</p> <p>(c) Is there any alignment with youth unemployment initiatives? If yes provide examples. If not, why not.</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	B Gerber

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
24	38	K Southgate	(a) How much was spent on each person on the work readiness training programme run in partnership with Lulaway Holdings? (b) How many of those trained have found formal employment (c) What tools are used to track and measure the success of the programme?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	B Gerber
25	50	K Southgate	(a) In respect of the complexity of service requests, what is regarded as simple requests? (b) What are the benchmarks and against what are they measured? (c) What are complex requests? (d) What are the benchmarks and what are they measured against?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	R Gelderbloem
26	51	K Southgate	How often are the special purpose vehicles, that are funded and supported by the City, evaluated in relation to their specific mandates and the impact they have made individually to the City? Provide examples.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	R Gelderbloem
27	51	A van Zyl	Period under review is 2019/20. It is stated that "it plans to repeat in the 2019/20 financial year". Please clarify.  <b>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</b>	R Gelderbloem
28	52	K Southgate	(a) In which sector were the jobs, that the R250m that the City invested, created? (b) Where were they actually created?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	R Gelderbloem
29	52	K Southgate	The City invests heavily in event partnerships. How much of the City's budget has been used directly and indirectly in these partnerships?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	V Botto R Gelderbloem
30	54	K Southgate	(a) What were the costs associated with hosting Atlanta-based blogger and influencer Kim Hawk and was it money well spent? (b) Who benefitted from event?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	R Gelderbloem
31	55	K Southgate	(a) What is National Treasury's bespoke CIDMS implementation strategy for the City all about and how does it align to with the City's own initiatives?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	G Kenhardt B Peters



NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			(b) What value add is there to the City of Cape Town? (c) What is the cost to the City for its implementation?	
32	55	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Please provide details of the projects referred to under Infrastructure Investment programme (all projects), the directorates responsible for the projects and what the outcome of the assessment were and what the current status of all the projects (those still on the demand plan).	K Jacoby B Peters
33	55	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Who is the EMT Champion for the implementation of the CIDMS? When is the expected date of implementation?	K Nassiep
34	56	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) The Cape Town Water Strategy is a very good strategy and the City is to be commended for it. The Mayor also referred to sources that we are investigating to become a water resilient City. What have we done to ensure that we become a water resilient City of Cape Town? (b) How many of the strategies that we development during the drought are still on track as alternative water sources (c) Are we doing enough? If yes provide details (d) If No, why not and what further plans do we have to improve.	M Webster
35	56	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> In terms of the Cape Town Water Strategy, how many new posts were created with the establishment of the Customer Service Branch and what was/is the cost thereof?	M Webster
36	56	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What does computer-based management plan entails?	M Webster
37	57	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) In respect of the Contermansklouf Reservoir project, why did the three joint-venture partners go into liquidation? Provide details. (b) Why was this not detected or identified as a risk during the SCM phase (c) What are the costs implications to the CoCT?	M Webster

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
38	57	A van Zyl	In terms of the Contermanskloof Reservoir project and the engagement with the liquidators, please provide an update on the current status of the project.	M Webster
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
39	60	K Southgate	The water-wise design of the new, state-of-the-art facility at the Borchers Quarry wastewater treatment plant is a wonderful initiative. Are there plans to roll this out elsewhere. Please provide details?	M Webster
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
40	61	K Southgate	How does the City intend dealing with the massive backlog in road infrastructure in the Cape Town metropolitan area and what are the timelines associated therewith?	D Campbell
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
41	63	A van Zyl	The Business Incentive Project mentions "thousands of job opportunities". How many specifically in the period under review? Please provide detail. e.g. level, sector(s), etc.	R Gelderbloem B Gerber
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
42	63	A van Zyl	In terms of the Targeted Urban Upgrade and Improvement Precincts project, it is stated that "Support to line departments by MURP as mediator". Please provide detail of all the mediation interventions, e.g. project(s), dates, etc.	B Gerber
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
43	67	A van Zyl	In respect of the Trade and Development Project, please provide details of the "three promising new projects".	R Gelderbloem
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
44	70	A van Zyl	The upgrade to key strategic assets "Planned for 2019/20" refers. Did it take place? Please indicate which planned upgrades were completed and what the current status of the other upgrades, if any, are?	E Sass
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
45	79	A van Zyl	Did the CT Future Energy Festival take place as reported? If yes, provide programme and detail. If not, please provide reasons.	K Nassiep M Webster
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
46	82	A van Zyl	Was a section 33 process followed with the Sir Lowry's Pass River project?	M Webster

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
47	96	A van Zyl	For the Law Enforcement Advancement Project, was the target of an additional 1 000 law enforcement officers in 2020 met?	V Botto
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
48	98	A van Zyl	(a) What was the total number of Law Enforcement auxiliary volunteers at the end of the reporting period? (b) What is currently the total number of volunteers? (c) What was the budget for this programme in the reporting period? (d) What is the budget in the current financial year?	V Botto
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
49	105	A van Zyl	(a) 380 out of 568 leaks were repaired. Please provide specific reasons why all the leaks were not repaired. (b) How much water was lost as a result of the leaks which were not repaired? (c) What was the cost thereof? (d) Have the all the leaks reported in the period under review been repaired? If not, provide details of the leaks outstanding.	M Webster
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
50	106	A van Zyl	(a) What is the current status of the Cape Flats Bulk Sewer project? (b) Is the tender still compliant? (c) If a time extension is projected, has the necessary process to obtain approval been followed?	M Webster
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
51	106	A van Zyl	(a) Will construction still commence in January 2023 on the Philippi Collector Sewer Upgrade? (b) What is the current status of the tender? (c) Is it on the City's demand plan and within the timelines? Please provide detail.	M Webster
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
52	110	A van Zyl	(a) What is the relationship between the Philippi collector sewer construction and the upgrade referred in on P106? (b) What is the current status of the construction planned to commence in June 2021?	M Webster
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	



NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
53	112	A van Zyl	Please provide detail of the design which was completed for the Wallacedene 4-in-1 Community Services and Health hubs, the implementation plan, with timelines and current status of each step, for 2020/21.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	E Sass
54	115	K Southgate	(a) In terms of the Human Settlements programme typologies, the current model of providing single residential units is clearly unsustainable. Has the department considered other typologies? (b) If yes, what are they? (c) If no, why not? (d) Have we looked at other Cities in the world to see how they coped with accommodating those in need of housing? If yes provide details.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	N Gqiba
55	116	K Southgate	(a) It is estimated that 500 000 new opportunities must be created between now and 2028. How do we ensure the integrity of our housing database? (b) Provide a summary of the current database with reference to: (i) The amount of people (ii) The age groups (iii) The period on the database (c) Where on the database are we currently in terms of people being offered opportunities. (d) How do we ensure that there is no queue jumping? (e) How are people in informal settlements and backyard dwellers accommodated when new opportunities become available.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	N Gqiba
56	136	A van Zyl	(a) Was the tender for Phase 2A depots advertised in November 2020? (b) If not, why not? If yes, what is the current status of the tender?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	D Campbell
57	142	A van Zyl	(a) What is the current status of the tender for the infrastructure investment project? (b) Is it on the City's demand plan? (c) Please provide timelines and reasons if the tender was not being advertised in the last quarter of 2020.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	D Campbell

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
58	149	A van Zyl	(a) How does the public participation process ensure "meaningful, customized public participation processes to better serve communities"? Please be specific. (b) "Highest numbers of engagements" – how many? (c) What was the target? (d) How does it compare with the previous financial years?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Which clinic did not achieve the Ideal Clinic standards? And what were the reasons?	D Campbell Adv I Robson
59	151	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Appears there was a lack of proper quality control on the final copy of the Annual report. On page 162, under repairs and maintenance, the page number is omitted.	E Sass
60	162	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> The year referenced for the collection ratio for property rates should be 2020.	G Kenhardt
61	178	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What were causes of the poor connectivity that resulted in informal and formal meetings having to be rescheduled? (a) What were causes of the poor connectivity that resulted in informal and formal meetings having to be rescheduled? (b) Has the situation improved? If yes provide details. If no, why not.	G Kenhardt
62	183	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) The AG raised the same issues to that of the 2018/19 audit report that despite management's comments that corrective action are being taken, reasonable steps were not taken to prevent irregular expenditure. What other actions is management planning to implement to prevent the reoccurrence? (b) Were the corrective actions as noted in the 2018/19 implemented? (c) If yes, why was it not effective in preventing irregular expenditure?	K Jacoby D Valentine
63	183	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Regarding the material underspending of the operating budget, this is R2bn which could have been used to improve the quality or fix roads, clean up litter etc. Provide details as to where this is happening and what is being done to overcome them?	G Kenhardt
64	184	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
65	184	K Southgate	In respect of unaudited disclosure notes, why did the City not disclose particulars of non-compliance?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby D Valentine
66	184	J Wifibooi	Do we have the capacity to spend our Capital Budget and are we adequately staffed to spend this monies?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby
67	184	A van Zyl	(a) In relation to underspending of the budget, please provide details of all the tenders (numbers, etc.) where the delays with the appointment of the service providers, including the amounts for each tender, the timelines and all other relevant information. Identify the responsible Directorate as well as the ED and the project manager. (b) Please provide detail of all the tenders where contractor performance have resulted in underspending. Please provide all relevant information, i.e. amounts, responsible Directorate, etc.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby D Valentine
68	185	K Southgate	Provide details of what was procured and why procedures were not followed?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby B Chinasamy
69	185	J Wifibooi	What mechanism are we putting in place to reduce the number of deviations?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	City Manager
70	185	A van Zyl	Under EXPENDITURE MANAGEMENT: (a) Which "reasonable steps" are referred to? (b) Provide details of all the cases where there was non-compliance with the SCM regulations 19 (a), 36 (1) and section 116 (b) of the MFMA. (c) Please provide details such as the number of the tender and the responsible Directorate.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby D Valentine
71	185	A van Zyl	Under PROCUREMENT AND CONTRACT MANAGEMENT, please provide detail of the cases where the matters referred to in par. 28 – 32, including the responsible directorate and amounts involved.  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby D Valentine
72	186	K Southgate	(a) Points 30 – 32 are all repeat issues. Who is responsible for addressing this and what being done to address it? (b) Provide details of all incidents to be investigated and presented with recommendations?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby D Valentine

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
73	186	K Southgate	(a) In respect of the internal control deficiencies, please explain how this happened. (b) Are actions contained in the draft Audit Action Plan to avoid a reoccurrence. (c) Are the strategies and plans to prevent Non-compliance effective and how do you measure the success thereof? (d) Have the responsible persons been identified and what actions have been implemented? (b)	City Manager K Jacoby D Valentine
74	186	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Why is there an increase in expenditure incurred after the contract expiry date, despite MPAC being advised that a project management contract register was put in place?	K Jacoby D Valentine
75	186	J Wifibool	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Why are contracts not timeously renewed?	City Manager All EDs
76	186	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Under INTERNAL CONTROL DEFICIENCIES: (a) Which "adequate compliance monitoring processes" are being referred to? How has it been addressed and when? (b) Par. 39 – what level of "management" is referred to? Has this deficiency been addressed? If so, when and how? If not, why not?	City Manager K Jacoby
77	186	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Contracts have timeframes, but deadlines seem to slip away. What is the City of Cape Town's plan in dealing with the opinions with regards to procurement and contract management, it seems to persist, why?	K Jacoby
78	186	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Why is the financial system is not designed to load budget and time and issue early warnings based on lead times as per certain items of the project?	K Jacoby
79	186	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> As the non-compliance as reported by AG is R669 million, it has gone down, but what are the impediments that prevent it from going down significantly?	City Manager K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
80	188	J Wifibooi	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What mechanisms are in place to continuously upskill managers?	City Manager
81	191	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What plans has management implemented to overcome the seven internal control weaknesses highlighted by the Audit and Performance Audit Committee? Provide details.	City Manager K Jacoby
82	192	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) Declaration of Interest submissions for staff level 14 = 99%. Why was there not full compliance as all staff above this level is expected to complete a Declaration of Interest? (b) Staff level T13 = 82% compliance. Have the individuals been identified and what Consequent management measures were implemented to improve compliance and attain the set targets? (c) Provide a list of all cases reported and the status of all cases reported and investigated.	City Manager (Probity Services: Ethics)
83	194	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> How is the City of Cape Town intending to deal with the underspending by R1,475 billion and R0,738 billion on operating budget and capital budget respectively?	City Manager K Jacoby
84	197	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> We have SCM 19(a), 36(1) and section 116(b) of MFMA, but the internal control system seems to keep on failing, why?	City Manager K Jacoby
85	197	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Were there any fundamental reasons why some of the goods and services above the value of R200 000,00 were procured without inviting competitive bids?	K Jacoby B Chinasamy
86	197	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What is the impact of multi-disciplinary contract management unit in dealing with these contract management challenges?	G Kenhardt B Peters
87	197	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Why were contracts extended without following the correct process?	City Manager K Jacoby



NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CLLR/AID.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
88	197	B Majingo	Why were contractors and/or service providers not monitored timeously as required by section 116(2)(b) of MFMA?  <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Referring to the Statement of Financial Performance, the impairment charge increased with nearly 80% from the prior year? Is this all related to the impact of COVID-19?	G Kenhardt B Peters
89	215	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Referring to the Statement of Financial Performance, the growth of the total expenditure is nearly 100% more than the growth in the year on year total revenue. Is there a reason for this?	K Jacoby D Valentine
90	215	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Referring to the Statement of Financial Performance, the growth of the total expenditure is nearly 100% more than the growth in the year on year total revenue. Is there a reason for this?	K Jacoby D Valentine
91	218	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> With reference to the Investment Revenue, what is the reason for the increased actual Investment Revenue to that of the budget?	R Gelderbloem
92	240 note 9	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> It is noted that the year on year gross debtors balance of rates had the highest increase. Is there any concern that the impact could negatively affect the operations? What process is being put in place to ensure that the debt does not increase exponentially?	K Jacoby J Steyl T Blake
93	257 note 17	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What measures is the City putting in place to prevent the withholding of grant funding due to under performance?	K Jacoby W Muller
94	262 note 31	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Is there any specific reason on why the consulting fees increase with more than 10% from the prior year? Can this not be performed by the City's own staff? Does any training take place to lessen the dependency on consultants?	K Jacoby J Steyl
95	272	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> In respect of political parties' arrears, provide: (a) The names of the political parties with arrears. (b) The amounts outstanding and the details thereof. (c) What steps have been taken to recover the debt.	City Manager K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	
96	272	A van Zyl	For the irregular expenditure in respect of expenditure incurred after contract expiry and non-compliance with SCM regulations and sections 33 and 116(3) of the MFMA: (a) Please provide details of all the cases, including the responsible Directorate and ED (b) Please provide details of all the cases where there was non-compliance with section 33 and 116(3), including the responsible Directorate and ED	K Jacoby D Valentine
97	273	A van Zyl	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> For unauthorised expenditure and fruitless and wasteful expenditure, please provide details of all the cases, including the responsible Directorate and ED	K Jacoby D Valentine
98	322	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) How many service requests were in actual fact not responded to (10 or 10 000)? (b) What were the reasons? (c) What categories did they fall into? (d) What progress has been made with reference to the development of a "Integrated Information System" and when will it be ready for implementation. (e) What is the turnaround time in dealing with: (i) Billing queries (ii) Street lights out (iii) Water leaks (iv) Repair of potholes (v) Reinstatement of road repairs after water leaks had been repaired. (f) Provide details as per the current SOPs.	G Kenhardt All EDs
99	324	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> With reference to indicator 4D, what are the reasons for people leaving the City's employment and is the City's retention strategy not working?	G Kenhardt
100	324	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> With reference to indicator 5C, did any of the identified projects receive additional funding? If so why? <b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
101	324	K Southgate	(a) With reference to indicator 5D, provide reasons that led to the under expenditure with special reference to tenders that were not renewed timeously and the impact on service providers (b) Provide details of the delays caused as a result of the strip and repair process that had to be implemented and the impact on service delivery? (c) Have these challenges been overcome provide details?	K Jacoby
102	347	J Witbooi	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Attendance of MPAC very high by councillors.	City Manager
103	356	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) With reference to IDP objective 1.3 (number of SMMEs), how can you have an objective that cannot be measured? When developing a trend, it must be with a view that one can measure progress and performance. (b) What resources are being spent on something that the City is not able to measure?	R Gelderbloem
104	357	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> With reference to IDP objective 2.1 (safe communities), what is being done to reverse this downward trend?	R Gelderbloem V Botto
105	358	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> With reference to IDP objective 3.1 (excellence in basic services), what sampling framework is being used and how was it decided upon?	G Kenhardt
106	358	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> With reference to IDP objective 3.2 (mainstreaming basic services), why are we still having a big litter problem in informal settlements and townships?	M Webster
107	359	Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) With reference to IDP objective 4.3 (building integrated communities), this indicates a huge failure with spatial planning and transformation. (b) Does the City have a plan and a target that it is working towards? If yes, please provide details. If not, why not?	E Naude
108	377	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> (a) How many cases are Forensic Services currently dealing with?	City Manager



NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
			(b) Provide a breakdown per category. (c) How many staff facing disciplinary charges or investigations are currently on suspension. (d) What are the costs related to the suspensions (i.e. salaries/wages) to the City?	(Probity Services: Forensics)
109	377	B Majingo	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Beyond non-compliance, the other issues confronting us, are oversight, action plans and poor record keeping, how is this going to be attended?	City Manager K Jacoby
110	384	J Wifibooi	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What are we doing about socio-economic development B-BBEE only 40% achieved?	City Manager
<b>CAPE TOWN INTERNATIONAL CONVENTION CENTRE</b>				
111		E Anstey	CTICC (a) How many people were furloughed since the pandemic started? (b) How many are still furloughed? (c) What plans does the CTICC have to conserve cash as it is quite clear there will be no improvement for at least another year?	K Jacoby / D Valentine
112	290 note 39.2.4	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> Why were bonuses paid to the key management of the CTICC considering that their business operations have been materially negatively impacted?	K Jacoby D Valentine
113	290	S Moodley	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> What measures are the municipal entities taking and considering to ensure that the entities are able to remain a going concern in terms of business rationalization options.	K Jacoby / D Valentine
114	332	K Southgate	<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b> In terms of Human capital development, it is above the legal requirement so is the training linked to the skills needs of the entity and to its workplace skills plan. Provide details on what the money was spent on?	K Jacoby D Valentine
			<b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b>	

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY CILLR/ALD.	COMMENTS AND RESOLUTIONS ON THE 2019/2020 INTEGRATED ANNUAL REPORTS	RESPONSIBLE OFFICIAL
CAPE TOWN STADIUM				
115		E Anstey	<p>Cape Town Stadium</p> <p>(a) How many people have been furloughed since the pandemic?</p> <p>(b) How many are still furloughed?</p> <p>(c) Can they provide a progress report on their commercialization strategy as detailed in the report produced 2 years ago?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p><b><u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 30 APRIL 2021</u></b></p> <p>Cllr Anstey enquired about the recourse for the City if the Western Province Rugby Union (WPRU) is not able to pay the City in terms of their lease agreement for the Cape Town Stadium (CTS), and whether it is wise for the City to offer them commercial space.</p> <p><b>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</b></p> <p>In respect of indicator 10, please explain why a national indicator in a local entity's plan?</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p> <p>What measures are the municipal entities taking and considering to ensure that the entities are able to remain a going concern in terms of business rationalization options.</p> <p><b>MATTER RESOLVED AT MPAC ON 30 APRIL 2021</b></p>	K Jacoby D Valentine
116	336	K Southgate		K Jacoby D Valentine
117	290	S Moodley		K Jacoby / D Valentine

# ANNEXURE C

## COMMENTS FROM THE PORTFOLIO COMMITTEES

At the time of compiling this report, no questions or comments were received.

## COMMENTS FROM THE SUBCOUNCILS

At the time of compiling this report, no questions or comments were received.

## COMMENTS FROM THE PUBLIC

In terms of section 127(5)(a) of the MFMA an advertisement is placed in the newspapers advising the public that the 2019/20 Annual Reports of the CCT and its municipal entities are available for perusal at the Cape Town Civic Centre, all subcouncil offices, all libraries and on the City's website. The public was invited to submit written comments or make representations in respect of the Annual Reports by 5 May 2021 via the Organisational Performance Management (OPM) department. The public may also provide comments at subcouncil meetings. The City's Public Participation Unit assists people who cannot read or write, people living with disabilities and people from other disadvantaged groups who are unable to submit written comments. Comments received by the OPM department are forwarded to the relevant line department who responds directly to the member of the public. At the time of compiling this report, one suggestion was received from the public.

**REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE (APAC)  
TO THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)  
ON THE CITY OF CAPE TOWN'S 2019/2020 INTEGRATED ANNUAL REPORT**

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**PURPOSE**

To provide a report to the MPAC in support of its oversight function, and to inform the MPAC oversight report.

**MANDATE AND AUTHORITY**

The APAC is mandated in terms of section 166 of the Municipal Finance Management Act, Act 56 of 2003 (MFMA).

The responsibility of the APAC, as an advisory oversight activity, is further re-iterated in terms of:

- The MFMA Circular No. 65 of November 2012 which stipulates reporting requirements and the need for the chairperson of the Audit Committee to submit a copy of its report to the MPAC for consideration during the MPAC engagements on the oversight report; and
- In terms of MFMA Circular No. 32 of March 2006 the Audit Committee provides independent specialist advice on financial performance, efficiency and effectiveness, performance management and compliance with legislation.

*Note: The above circulars have not been adopted by the Council of the City of Cape Town.*

The APAC chairperson is available to discuss the report if requested by the MPAC chairperson.

In terms of the APAC's Terms of Reference, approved by Mayco on 20 October 2020, the APAC has the following responsibilities related to the Annual Financial Statements and Integrated Annual Report:

- 5.3.4: Review the integrity of the information included in the final Integrated Annual Report before release, by considering the work and results of assurance providers (e.g. external and internal audit) relating to the validity, accuracy and completeness thereof;
- 5.3.9: Consider the Integrated Annual Report with recommendation to MPAC regarding onward submission to Council;
- 5.4.5: Advise on disclosures on matters of risk and risk management in the Integrated Annual Report;
- 6.14: The committee will report to the Municipal Council on how it has fulfilled its duties during the financial year. This report is included in the Integrated Annual Report of the City and the Fund;
- 6.18: The committee should have regard to all factors and risks that may impact on the integrity of the Integrated Annual Report;
- 6.19: The committee must review the disclosure of sustainability issues in the annual report to ensure that it is reliable and does not conflict with the financial information.

**RELATED AUDIT REPORTS**

The APAC has considered the work performed by Internal Audit (IA) and the Auditor-General of South Africa (AGSA) on the Integrated Annual Report in exercising its responsibilities and as required by its Terms of Reference.

With reference to the Integrated Annual Report, the APAC noted an increased maturity and steady improvement towards achieving the goal of integrated thinking and practices. There is also an increased focus on communication with all stakeholders. The APAC would encourage benchmarking the City's Integrated Annual Report with other SA metros, leading global cities - especially those with active resilience programs - and with other public sector entities particularly those identified as applying leading practices.

The focus of the Internal Audit Plan, regarding the review of internal financial controls, was limited to procedures incorporated within the scope of the normal audit engagements and an internal financial control review. An Internal Audit opinion of "Some Improvement Needed" was expressed in the Internal Audit Annual Statement on Governance, Risk Management and Internal Control Processes within the City of Cape Town for the year ended 30 June 2020 which includes financial-related controls. Corrective actions have been planned by the line departments to address the areas of concern and will be reviewed by Internal Audit. Internal Audit also completed an advisory review on the draft Annual Financial Statements where issues were raised with management for action. In addition, risks and opportunities with value-adds were shared. The report also gave the APAC comfort that subsections 5.3.1, 5.3.3 and 5.3.8 of their Terms of Reference had been achieved.

Notwithstanding significant challenges during the year under review, the City has exhibited growth and efficacy, effective governance, increased accountability, and transparency. The APAC congratulates the City's management on achieving an unqualified audit report on the Annual Financial Statements and Performance Management. The committee notes the findings reported by the AGSA on the City's compliance with legislation and has already requested that the committee workplan be updated to focus on this area. Management is equally committed to implementing the necessary controls to prevent and reduce the re-occurrence of these events, especially in the areas of supply chain management.

## CONCLUSION

In terms of the MFMA Circular No. 32 of March 2006 relating to The Oversight Report, the APAC has the following to bring to the attention of the MPAC:

- A Report of the APAC for year ended 30 June 2020 (as included in the Integrated Annual Report) is attached.
- As part of its continual monitoring and assurance, an Outstanding Matters Schedule is maintained on the APAC agenda and matters not finalised are followed-up at subsequent meetings, until resolved.
- APAC maintains oversight of the key performance areas and the control environment through ongoing monitoring of indicated activities and controls, challenges and shortcomings.
- APAC monitors the implementation and maturity of the combined assurance process, integrated thinking and other initiatives to enhance governance. Risk identification, mitigation plans, and achievement of targets are robustly engaged to ensure and assure relevance on a continuing basis.
- Important matters, related to the 2019/2020 Annual Financial Statements and Integrated Annual Report, include:
  - **Budget:** Underspending of the operating budget and the capital budget mainly due to the impact of the COVID-19 lockdown, community factors, delays with the appointment of service providers and contractor performance.
  - **Irregular expenditure:** Most of the irregular expenditure related to non-compliance with Supply Chain Management (SCM) regulations.
  - **Procurement and contract management:** Contraventions of SCM regulation 5, 36(1), 17(a) and (c), 2017 Preferential Procurement regulation 8(2) and section 116(2)(b) of the MFMA

were noted, and these were mostly recurring issues that were reported in the previous financial year.

- **Oversight responsibilities:** Inadequate oversight was exercised by management over internal controls relating to contracts.
- **Project and contract management:** Projects are not always completed timeously and excessive requests for extensions of contract periods are occurring which results in additional costs or losses and sometimes legal disputes. Expenditure is often incurred on contracts after the contract term has ended resulting in deviations and condonations to regularise the expenditure.
- **IT governance framework:** No significant findings were identified.
- Governance enhancements, such as:
  - Continued focus on the implementation and maturity of combined assurance
  - Management of internal control findings, ethics, loss and risks
  - Information technology governance
  - Application of King IV principles
- Enhanced focus by APAC on:
  - Forensic findings and management actions
  - Legal matters (contingent liabilities)
  - Governance and control improvements
  - Proactive management of critical risks (APAC attendance of RiskCo)
  - Compliance

The City's Integrated Annual Report presents performance against all key commitments and the committee is pleased with the progressive continuous improvement made by the City and compliments the City's Executive Management Team and recommends the City's Integrated Annual Report for onward submission.



**Dr Divya Singh**

**Chairperson: Audit and Performance Audit Committee**

**Date: 14 May 2021**