



**CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD**

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**REPORT TO COUNCIL
29 MARCH 2017**

-
- 1 ITEM NUMBER: C 36/03/17**
- 2 OVERSIGHT REPORT IN RESPECT OF THE 2015/16 ANNUAL REPORTS
FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITY (CONVENCO)**

**INGXELO YOKUBEK' ILISO NGOKUPHATHELELE KWIINGXELO ZONYAKA
ZIKA-2015/16 ZESIXEKO SASEKAPA NEQUMRHU LIKAMASIPALA
(CONVENCO)**

**TOESIGVERSLAG OOR DIE 2015/16-JAARVERSLAE VIR DIE STAD
KAAPSTAD EN SY MUNISIPALE ENTITEIT (CONVENCO)**

LSU H4803 / H4876

- 3 RECOMMENDATION FROM THE MUNICIPAL PUBLIC ACCOUNTS
COMMITTEE: 7 MARCH 2017 (MPAC 05/03/17 - MPAC 06/03/17)**

RECOMMENDED that

- (a) Council adopts the oversight report and approves the 2015/16 Annual Reports of the City and its Municipal Entity (CONVENCO) without reservation;
- (b) the resolutions in annexure A 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;
- (c) the unauthorized, irregular and fruitless expenditure and material loss and additional disclosures related to Supply Chain Management regulations as contained in note 46.1.2 and 46.2 of the Annual Report respectively be referred to the Municipal Public Accounts Committee for investigation.

- 3. ISINDULULO SEKOMITI KAMASIPALA EJONGENE NEE-AKHAWUNTI
ZOLUNTU: 7 MATSHI 2017 (MPAC 05/03/17 – MPAC 06/03/17)**

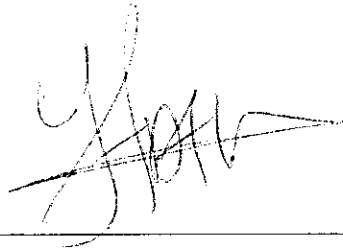
KUNDULULWE ukuba

- (a) IBhunga malamkele, ngaphandle kwentandabuzo ingxelo engobek'iliso kwaye liphumeze iiNgxelo zoNyaka ka-2015/16 zeSixeko neQumrhu laso elizimeleyo likaMasipala (CONVENCO);
- (b) Makuxhaswe izisombululo ezikwisihlomelo-A ukuze kuthatyathwe inyathelo kwaye apho kufanelekile zidluliselwe kumagosa afanelekileyo nengxelo, apho kufanelekileyo, kwiKomiti kaMasipala ejongene nee-Akhawunti zoLuntu;
- (c) Inkcitho engagunyaziswanga kwaye engangqinelamyo, engenasizathu neyilahleko neyilahleko yempahla nolongezelelo lodandalaziso lokuyimfihlo ngokuphathelene nemigaqo yolawulo lokuthenga nokuthengisa kwezinto njengoko kuqulathwe kwisaziso-46.1.2 no-46.2 kwiNgxelo yoNyaka, mayidluliselwe kwezee-akhawunti zoluntu zikaMasipala ukuze ziphandwe.

3. AANBEVELING VAN DIE MUNISIPALE KOMITEE OOR OPENBARE REKENINGE: 7 MAART 2017 (MPAC 05/03/17 – MPAC 06/03/17)

AANBEVEEL dat

- (a) die Raad die toesigverslag aanneem en die 2015/16-jaarverslae van die Stad en sy munisipale entiteit (Convenco) sonder voorbehoud goedkeur;
 - (b) die resolusies in bylae A by die aangehegte verslag vir optrede gesteun word, waar toepaslik na die betrokke portefeuljekomitees verwys word en terugvoering (waar toepaslik) aan die munisipale komitee oor openbare rekeninge (MPAC) gelever word;
 - (c) die ongemagtigde onreelmatige, vrugtelose en verkwistende besteding en materiele verlies en bykomende openbaarmakings met betrekking tot die regulasies oor voorsieningskanaalbestuur, soos onderskeidelik in nota 46.1..2 en 46.2 van die jaarverslag vervat, vir ondersoek na MPAC verwys word.
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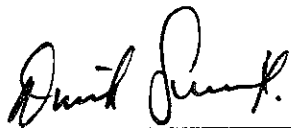


- ☒ RECOMMENDED
☐ REFUSED
☐ REFERRED BACK

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS
 COMMITTEE: COUNCILLOR Y ADAMS

8 MARCH 2017

DATE



- ☐ RECOMMENDED
☐ REFUSED
☐ REFERRED BACK

SPEAKER: ALDERMAN J D SMIT

14/03/2017

DATE



DATE: 07 MARCH 2017

REPORT TO: MUNICIPAL PUBLIC ACCOUNTS

LC17631

1. ITEM NUMBER

2. SUBJECT

**OVERSIGHT REPORT IN RESPECT OF THE 2015/16 ANNUAL REPORTS FOR
THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES**

ONDERWERP

**TOESIGVERSLAG OOR DIE 2015/16-JAARVERSLAE VIR DIE STAD KAAPSTAD
EN SY MUNISIPALE ENTITEITE**

ISIHLOKO

**INGXELO YOKUBEK' ILISO NGOKUPHATHELELE KWIINGXELO ZONYAKA
ZIKA-2015/16 ZESIXEKO SASEKAPA NAMAQUMRHU KAMASIPALA**

LSU: H4803

3. DELEGATED AUTHORITY

In terms of delegation

This report is FOR DECISION BY

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

4. DISCUSSION

In terms of delegation 1(2) of part 20 of the System of Delegations adopted by Council on 7 December 2016 (*vide* C 20A/12/16), effective 4 January 2017, the Municipal Public Accounts Committee (MPAC) must, after considering the annual

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reports of the City of Cape Town (CCT) and Cape Town International Convention Centre (CTICC), recommend to Council the adoption of an oversight report.

MPAC's purpose, in terms of paragraph 6.2 of their terms of reference (*vide* C 18/10/16), is to perform the oversight function for Council as required by section 129 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) (MFMA).

The 2015/16 Integrated Annual Report of the CCT (*vide* C 04/01/17) and the 2016 Integrated Annual Report of the CTICC (*vide* C 20/01/17) were tabled at the Council meeting on 26 January 2017. In terms of section 129 of the MFMA an oversight report must be adopted by Council in March 2017.

The oversight process in respect of the aforementioned annual reports commenced on 27 January 2017 when MPAC considered the annual reports and raised matters of concern for the attention of the City Manager and his Executive Management Team and responses were considered on 23 February 2017 (refer to the minutes attached as **Annexure A**). Outstanding comments and resolutions from the oversight process are contained in **Annexure B**. The public are allowed to submit comments on the annual report to the Organisational Performance Management department and at subcouncil meetings during February 2017. Comments received from the public were referred to the Organisational Performance Management department. Relevant comments and resolutions made by the Transversal Committees are contained in **Annexure C**. The Audit and Performance Audit Committees' report is attached as **Annexure D**.

- 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. Legal Compliance ☒

Section 129 of the MFMA.

- 4.3. Staff Implications ☐ Yes ☒ No

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5. OUTCOMES OF DISCUSSIONS WITH MAYCO MEMBER

Not applicable

6. RECOMMENDATIONS

Not delegated: for decision by Council:

It is recommended that:

- (a) The Municipal Public Accounts Committee (MPAC), having fully considered the 2015/16 annual reports of the municipality and the municipal entity and representations thereon, recommends that Council adopts the oversight report and approves the annual reports without reservations.
- (b) The resolutions in annexure A be supported for action and, where applicable, be referred to the relevant officials and feedback (where applicable) be provided to MPAC.

AANBEVELINGS

Nie gedelegeer nie: vir besluitneming deur die Raad:

Daar word aanbeveel dat:

- (a) Na volledige oorweging van die jaarverslae vir 2015/16 van die munisipaliteit en die munisipale entiteit en vertoë daaroor, die munisipale komitee oor openbare rekeninge (MPAC) aanbeveel dat die Raad die toesigverslag aanneem en die jaarverslae sonder voorbehoud goedkeur.
- (b) Die resolusies in bylae A vir optrede gesteun word en, waar toepaslik, na die betrokke amptenare verwys word en terugvoering (waar toepaslik) aan MPAC gelewer word.

IZINDULULO

Azigunyaziswanga: iSiggibo seseBhunga:

Kundululwe ukuba:

- (a) IKomiti kaMasipala ejongene nee-Akhawunti zoLuntu (MPAC), ekubeni ithathele ingqalelo ngokupheleleyo ingxelo yonyaka kamasipala ngowama-2015/16

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neengxelo-nkcaza, malamkele ingxelo engobek'iliso kwaye liphumeze ingxelo yonyaka ngaphandle kwemiqathango.

- (b) Makuxhaswe izisombululo ezikwisihlomelo-A ukuze kuthatyathwe inyathelo kwaye apho kufanelekile zidluliselwe kumagosa afanelekileyo kwakhona kunikezelwe ngengxelo (apho kufanelekileyo) kwiKomiti kaMasipala ejongene nee-Akhawunti zoLuntu (MPAC)

ANNEXURES

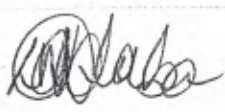
Annexure A: Minutes of the MPAC oversight meetings

Annexure B: Outstanding Comments and Resolutions from the MPAC oversight process

Annexure C: Comments from the Transversal Committees and the Public

Annexure D: Report of the Audit and Performance Audit Committee

FOR FURTHER DETAILS CONTACT

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E-MAIL ADDRESS	Antoinette.Moolman@capetown.gov.za		
DIRECTORATE	Directorate of the Mayor	FILE REF NO	2/9/2/1
SIGNATURE : CHIEF AUDIT EXECUTIVE / ACTING PORTFOLIO MANAGER: PROBITY	 Lindiwe Ndaba		

ACTING EXECUTIVE DIRECTOR

NAME KEVIN JACOBY

COMMENT:

DATE 24.02.2017

SIGNATURE



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LEGAL COMPLIANCE

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

☐ NON-COMPLIANT

NAME

Jean-Mari Holt

COMMENT:

DATE

27/02/2017

SIGNATURE

J.M. Holt

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

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