

CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

Making progress possible. Together.

REPORT TO COUNCIL
26 MARCH 2020

1 ITEM NUMBER: C 04/03/20

2 OVERSIGHT REPORT IN RESPECT OF THE 2018/19 ANNUAL REPORTS FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES (CONVENCO AND CAPE TOWN STADIUM)

INGXELO YOKUBEK' ILISO NGOKUPHATHELELE KWIINGXELO ZONYAKA ZIKA-2018/19 ZESIXEKO SASEKAPA NEZAMAQUMRHU AZIMELEYO KAMASIPALA (CONVENCO KUNYE NESTEDIYAM SASEKAPA)

TOESIGVERSLAG OOR DIE 2018/19-JAARVERSLAE VIR DIE STAD KAAPSTAD EN SY MUNISIPALE ENTITEITE (CONVENCO EN DIE KAAPSTAD-STADION)

LSU K3649 / L3468 / L3565

3 RECOMMENDATION FROM THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: 10 MARCH 2020 (MPAC 06/03/20)

RECOMMENDED that

- (a) Council adopt the oversight report and approves the 2018/19 Annual Reports of the City and its Municipal Entities (CONVENCO and CAPE TOWN STADIUM) without reservation;
- (b) 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;

(c) it be noted that

- except for comments received from one Councillor and one subcouncil, there were no other questions/comments received from the Portfolio Committees and subcouncils;
- it is expected that the City must work towards receiving a clean audit for the 2019/20 financial year.

3. ISINDULULO SEKOMITI KAMASIPALA EJONGENE NEE-AKHAWUNTI ZOLUNTU: 10 EYOKWINDLA 2020 (MPAC 06/03/20)

KUNDULULWE ukuba

- (a) IBhunga malamkele ngaphandle kwentandabuzo ingxelo engobek'iliso kwaye liphumeze iiNgxelo zoNyaka ka-2018/19 zeSixeko nezaMaqumrhu aso azimeleyo kaMasipala (iCONVENCO kunye NESTEDIYAM SASEKAPA);
- (b) Makuxhaswe izigqibo ezikwisihlomelo-B kwingxelo eqhotyoshelweyo ukuze kuthatyathwe amanyathelo kwaye apho kufanelekileyo zidluliselwe kumagosa afanelekileyo kwaye ingxelo, apho kufanelekileyo, inikezelwe kwiKomiti kaMasipala ejongene nee-Akhawunti zoLuntu;
- (c) Kufuneka kuqatshelwe ukuba
 - ngaphandle kwezimvo ezifunyenwe kuCeba omnye nakwibhungana elinye, azikho ezinye izimvo/imibuzo eziye zafunyanwa kwiiKomiti zeMicimbi yeSebe;
 - Kulindeleke ukuba iSixeko sisebenzele ukufumana uphicotho zincwadi olungenaziphene kunyaka-mali ka-2019/20.

3. AANBEVELING VAN DIE MUNISIPALE KOMITEE OOR OPENBARE REKENINGE: 10 MAART 2020 (MPAC 06/03/20)

AANBEVEEL dat

- (a) die Raad die toesigverslag aanneem en die 2018/19-jaarverslae van die Stad en sy munisipale entiteite (Convenco en die Kaapstad-Stadion) sonder voorbehoud goedkeur;
- (b) 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;
- (c) daar kennis geneem word dat
 - buiten vir die kommentaar wat van een raadslid en een subraad ontvang is, geen ander kommentaar van die portefeuljekomitees en subrade ontvang is nie;
 - daar verwag word dat die Stad hom vir 'n skoon audit vir die 2019/20 boekjaar moet beywer.


☒ RECOMMENDED

☐ REFUSED

☐ REFERRED BACK

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS
COMMITTEE: COUNCILLOR Y ADAMS

11 March 2020

DATE


☒ RECOMMENDED

☐ REFUSED

☐ REFERRED BACK

SPEAKER: ALDERMAN J D SMIT

DATE 12/03/2020



REPORT TO MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

LC24595

1 ITEM NUMBER MPAC 06/03/20

2 SUBJECT

OVERSIGHT REPORT IN RESPECT OF THE 2018/19 ANNUAL REPORTS FOR THE CITY OF CAPE TOWN AND ITS MUNICIPAL ENTITIES

ONDERWERP

TOESIGVERSLAG OOR DIE 2018/19-JAARVERSLAE VIR DIE STAD KAAPSTAD EN SY MUNISIPALE ENTITEITE

ISIHLOKO

INGXELO YOKUBEK' ILISO EPHATHELELE KWIINGXELO ZONYAKA ZIKA-2018/19 ZESIXEKO SASEKAPA NAMAQUMRHU ASO KAMASIPALA

LSU L3468 AND L3565

3 DELEGATED AUTHORITY

In terms of delegation part 20(1)(1)

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

The System of Delegations part 20 delegation 1(1), last amended by Council on 22 August 2019 (C 22/08/19), 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).

D

MAH

Furthermore, MPAC's purpose in terms of paragraph 6.2 of their Terms of Reference (item 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 2018/19 Integrated Annual Report of the City of Cape Town (CCT) (item C 04A/01/20) and the 2019 Integrated Annual Reports of the Cape Town International Convention Centre (CTICC) and Cape Town Stadium (RF) SOC (item C05/01/20) were tabled at Council on 29 January 2020.

In terms of section 129 of the MFMA an oversight report must be adopted by Council within two months of the Annual Reports being tabled at Council (i.e. by March 2019).

The oversight process commenced on 31 January 2020 when the Auditor-General South Africa (AGSA) briefed MPAC on the 2018/19 MFMA audit outcomes. On 25 February 2020 MPAC met with the City Manager and the Executive Management Team (EMT) to consider responses on the matters of concern raised by MPAC (refer to the minutes of MPAC oversight meeting held on 25 February 2020 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**) and MPAC is concerned with the lack of oversight by the portfolio committees. The Audit and Performance Audit Committee's report to MPAC is attached as **Annexure D**.

Furthermore, MPAC established task teams to further 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

It is **RECOMMENDED** that:

- (a) The Municipal Public Accounts Committee (MPAC), having fully considered the 2018/19 Integrated Annual Reports of the municipality and the municipal entities and representations thereon, recommend that Council adopt the oversight report and approve 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.

It be **NOTED** that:

- (c) Except for comments received from one Councillor, there were no other questions/comments received from the Portfolio Committees and subcouncils.
- (d) It is expected that the City must work towards receiving a clean audit for the 2019/20 financial year.

AANBEVELINGS

Nie gedelegeer nie: vir besluitneming deur die Raad:

Daar word **AANBEVEEL** dat:

- (a) Na volledige oorweging van die geïntegreerde jaarverslae vir 2018/19 van die munisipaliteit en die munisipale entiteite en verhoë 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.

Daar **KENNIS GENEEM WORD** dat:

- (c) Buiten vir kommentaar wat van een raadslid ontvang is, daar geen ander vrae/kommentaar van die portefeuljekomitees en subrade ontvang is nie.
- (d) Daar verwag word dat die Stad die doel voor oë moet hê om 'n skoon oudit vir die 2019/20-boekjaar te kry.

IZINDULULO

Azigunyaziswanga: isigqibo seseBhunga:

KUNDULULWE ukuba:

- (a) IKomiti kaMasipala ejongene nee-Akhawunti zoLuntu (MPAC), ekubeni ithathele ingqalelo ngokupheleleyo iiNgxelo zoNyaka eziHlanganisiweyo zikamasipala zika2018/19 nezamaqumrhu kamasipala neengxelo-nkcaza, mayenze isindululo kwiBhunga lokwamkela ingxelo engobek'iliso kwaye liphumeze iingxelo zonyaka 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).

Kufuneka KUQWALASELWE ukuba:

- (c) Ngaphandle kwezimvo ezifunyenwe kuCeba omnye, azikho ezinye izimvo/imibuzo eye yafunyanwa kwiiKomiti zeMicimbi yeSebe nakumabhungana.
- (d) Kulindeleke ukuba iSixeko kufuneka sisebenzele ukufumana uphicotho zincwadi olungenaziphene kunyaka-mali ka-2019/20.

ANNEXURES

- ANNEXURE A: Minutes of the MPAC meeting held on 25 February 2020
- ANNEXURE B: Schedule of outstanding comments and resolutions from the MPAC oversight process
- ANNEXURE C: Comments from the Portfolio Committees and the Public
- ANNEXURE D: Report of the Audit and Performance Audit Committee

FOR FURTHER DETAILS CONTACT

NAME (AUTHOR)	Antoinette Moolman	CONTACT NUMBER	021 400 9297
E-MAIL ADDRESS	Antoinette.Moolman@capetown.gov.za		
DIRECTORATE	Office of the City Manager	FILE REF NO	2/9/1/2
SIGNATURE (AUTHOR)			




MPAC CHAIRPERSONCOUNCILLOR **Yagyah Adams**

COMMENT

DATE

3 March 2020

SIGNATURE

*Y. Adams***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

Joan-Mari Holt

COMMENT

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

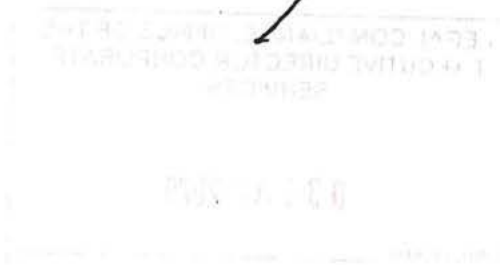
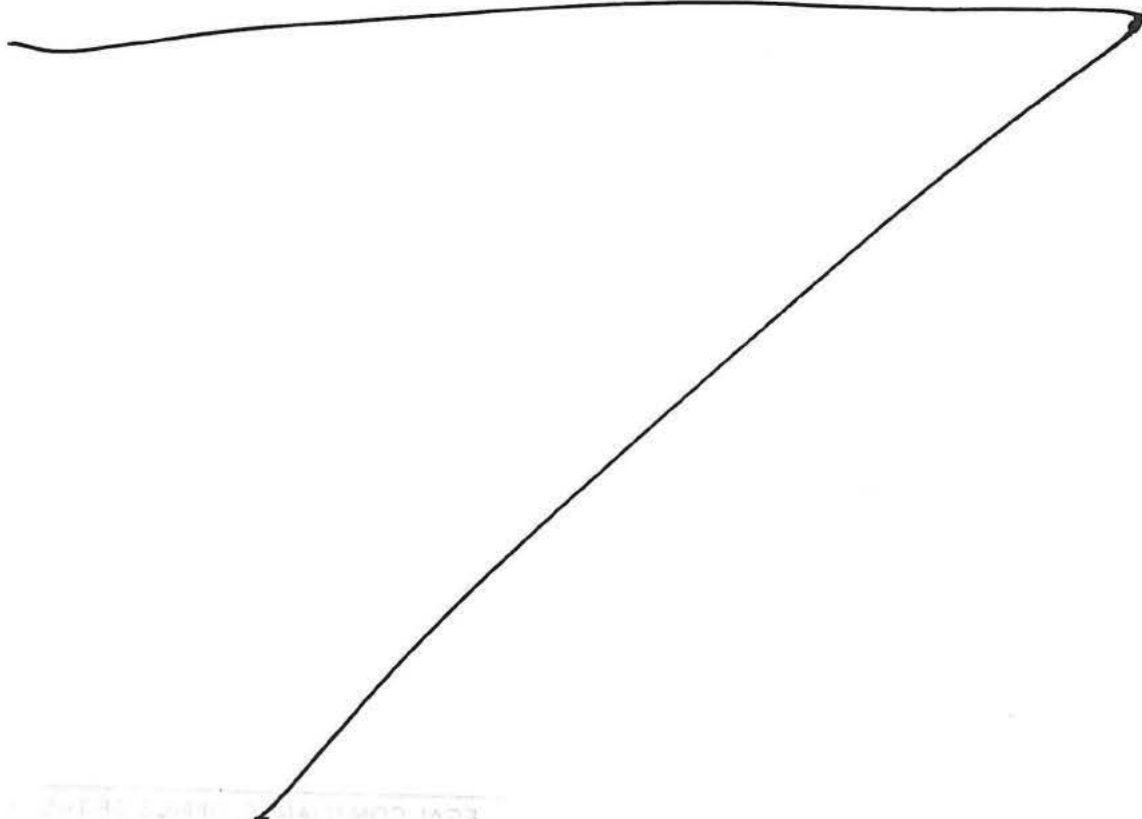
DATE

04/03/2020

SIGNATURE

Joan-Mari Holt

In terms of Part 20, delegation 1(1). JM



Making progress possible. Together.

ANNEXURE A**- MINUTES -**

OF THE MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE HELD IN COMMITTEE ROOM A, 5TH FLOOR, PODIUM BLOCK, CIVIC CENTRE, CAPE TOWN ON TUESDAY 25 FEBRUARY 2020 AT 10:00

PRESENT**COMMITTEE MEMBERS****CAPE MUSLIM CONGRESS**

Cllr Y Adams (Chairperson)

DEMOCRATIC ALLIANCE

Cllr K Southgate (Deputy Chairperson)

Cllr E Anstey

Cllr R Beneke

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
O Asmal	: Spatial Planning and Environment
R Bosman	: Safety and Security
V Botto	: Community Services and Health
N Gqiba	: Human Settlements
K Jacoby	: Finance
C Kesson	: Corporate Services
K Le Keur	: Economic Opportunities and Asset Management



**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)
MINUTES**

25 FEBRUARY 2020

K Nassiep	: Energy
E Sass	: Transport
P Mashoko	: Urban Management
M Webster	: Water and Waste
W Adams	: Human Settlements
G Bana	: Internal Audit
Z Bashow	: Water and Waste
G Begg	: Human Settlements
N Damane	: Water and Waste
J de Bruyn	: Water and Waste
A de Ujfalussy	: Office of the City Manager
S du Toit	: Probity
P Fisher	: Forensic Services
L Fortune	: Finance
C January	: Corporate Services
G Jeffries	: Legal Services
O Josie	: Forensic Services
B Lufundo	: Legal Services
R Keraan	: Water and Waste
P Maritz	: Water and Waste
R Melody	: Transport
R Moodley	: Water and Waste
M Mtyi	: Water and Waste
A Moolman	: Internal Audit
O Naidoo	: Corporate Services
Z Ngqongwani	: Urban Management
I Nkomo	: Legal Services
R Sayed	: Office of the City Manager
L Sithole	: Corporate Services
Y Scholtz	: Corporate Services
B Snyman	: Water and Waste
R Thomas	: Human Settlements
D Valentine	: Finance
A Vorster	: Office of the Speaker
A Warren	: Community Services and Health
M Whare	: Corporate Services
B Wood	: Water and Waste
R Tippoo	: Executive Committee Services

CAPE TOWN STADIUM

L de Rueck
K Theron

CAPE TOWN INTERNATIONAL CONVENTION CENTRE

W de Wet



**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)
MINUTES**

25 FEBRUARY 2020

APOLOGIES

G Postings : Office of the City Manager
K Nicol : Office of the Speaker
B Vink : Internal Audit

LEAVE

Cllr A Adams



**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)
MINUTES**

25 FEBRUARY 2020

MPAC 01/02/20 OPENING

Councillor Y Adams welcomed everyone to the meeting especially the Executive Directors and representatives of the Cape Town Stadium and the Cape Town International Convention Centre.

MPAC 02/02/20 APOLOGIES / LEAVE OF ABSENCE

RESOLVED that it be noted that the Chief Whip had granted leave of absence to Councillor A Adams and apologies for not being able to attend the meeting had been received from Ms G Postings and Messrs K Nicol and B Vink.

MPAC 03/02/20 DECLARATION OF INTEREST

None

**MPAC 04/02/20 CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON
31 JANUARY 2020**

RESOLVED that the minutes of the meeting held on 31 January 2020 be confirmed subject to the following amendment:

MPAC 06/01/20: The last sentence in the second paragraph on page 11 of the minutes be changed to read **"It was therefore incumbent upon the City to ensure that the officials who qualified in terms of Supply Chain Management Regulation 29(2) was placed on that Committee."**

MPAC 05/02/20 MATTERS RECEIVING ATTENTION

**(1) ALLEGED UNAUTHORISED TRANSACTIONS RELATING TO
THE CASH MANAGEMENT AND PAYMENT COMPONENT
OF THE STATION MANAGEMENT CONTRACT (FSD 291/15-
16)**

RESOLVED that the next meeting of the Task Team would be held on 7 April 2020.

ACTION: D VALENTINE / R TIPPOO

**(2) IRREGULARITIES IN TENDER NO. 314S/2014/2015: PANEL
OF ICT PROFESSIONAL SERVICES**

RESOLVED that the next meeting of the Task Team would be held on 7 April 2020.



(3) TENDER 169Q/2012/13: CONSTRUCTION AT DU NOON SPORTSFIELD: TEMPANI CONSTRUCTION

RESOLVED that

(a) the report from Legal Services on the quantification of the irregular and wasteful expenditure be submitted to the Committee by 4 March 2020;

(b) the next meeting of the Task Team be held on 7 April 2020.

ACTION: B LUFUNDO / R TIPPOO

(4) TENDER 224S REMOVAL OF REFUSE FROM STORAGE AREAS IN INFORMAL SETTLEMENTS

RESOLVED that the next meeting of the Task Team would be held on 31 March 2020.

ACTION: R TIPPOO

(5) ALLEGED IRREGULARITIES WITHIN SAFETY AND SECURITY REGARDING THE APPOINTMENT OF ICT PROFESSIONALS

RESOLVED that the next meeting of the Task Team would be held on 14 April 2020.

ACTION: O JOSIE / C MAURER / M GIGER

(6) TENDER 168C/2011/12: PROVISION OF PROFESSIONAL SERVICES IN RESPECT OF MONITORING OF DU NOON PUBLIC TRANSPORT

RESOLVED that the next meeting of the Task Team would be held on 13 March 2020.

ACTION: R TIPPOO

(7) TENDER 134C/2012/13: PROVISION OF PROFESSIONAL SERVICES IN RESPECT OF MONITORING OF MAKHAZA TRANSPORT FACILITY

RESOLVED that the next meeting of the Task Team would be held on 13 March 2020.

ACTION: R TIPPOO

 5

(8) MFMA SECTION 116 BREACHES

RESOLVED that the next meeting of the Task Team would be held on 13 March 2020.

ACTION: R TIPPOO

(9) TENDER 10C/2013/14: PROVISION OF PROFESSIONAL SERVICES: PERIOD TENDER FOR COMMUNITY SERVICES PROJECTS

RESOLVED that the next meeting of the Task Team would be held on 20 March 2020.

ACTION: R TIPPOO

(10) TENDER 389Q/2011/12: VALHALLA PARK SPRAY PARK: UMLAZI CIVILS

RESOLVED that the next meeting of the Task Team would be held on 20 March 2020.

ACTION: R TIPPOO

(11) PAYMENT OF INTEREST IN RESPECT OF TENDER 250Q/2015/16: DIDO VALLEY HOUSING PROJECT – CIVIL ENGINEERING

RESOLVED that the next meeting of the Task Team would be held on 17 April 2020.

ACTION: R TIPPOO

(12) TENDER 222Q/2013/14: REFURBISHMENT OF SLUDGE DEWATERING EQUIPMENT AT MITCHELLS PLAIN AND BORCHARDS QUARRY WASTEWATER TREATMENT WORKS

RESOLVED that the first meeting of the Task Team would be held on 20 March 2020.

ACTION: R TIPPOO

(13) IRREGULARITIES WITHIN ECONOMIC OPPORTUNITIES AND ASSETS MANAGEMENT DIRECTORATE INVOLVING TRAFFIC VIOLATIONS

RESOLVED that the first meeting of the Task Team would be held on 17 April 2020.

ACTION: R TIPPOO

(14) TENDER 152G/2015/16: PROVISION OF RELATED HARDWARE DEVICES

RESOLVED that the first meeting of the Task Team would be held on 17 April 2020.

ACTION: R TIPPOO

(15) ATHLONE POWER STATION RE-DEVELOPMENT

RESOLVED that the first meeting of the Task Team would be held on 5 May 2020.

ACTION: R TIPPOO

(16) SCMB 138/06/19: 33Q/2016/17 CONSTRUCTION OF CIVIL AND ELECTRICAL INFRASTRUCTURE FOR THE ESTABLISHMENT OF AN INCREMENTAL DEVELOPMENT AREA AND INSITU UPGRADE OF SWEET HOMES FARM, PHILIPPI

RESOLVED that the first meeting of the Task Team would be held on 5 May 2020.

ACTION: R TIPPOO

(17) TENDER 056Q/2015/16 FOR THE REPAIRS AND MAINTENANCE OF FLOOR COVERINGS IN THE SWARTKLIP SPORTS CENTRE

RESOLVED that the next meeting of the Task Team would be held on 31 March 2020.

ACTION: V BOTTO / R TIPPOO

(18) EXPENDITURE INCURRED ON VICTORIA AND ALFRED WATERFRONT

RESOLVED that the first meeting of the Task Team would be held on 5 May 2020.

ACTION: R TIPPOO



(19) REGISTER OF UNAUTHORISED, IRREGULAR OR FRUITLESS AND WASTEUL EXPENDITURE

RESOLVED that the next report be submitted to the Committee in August 2020.

ACTION: G POSTINGS

(20) SCHEDULE OF MONIES RECOVERED

RESOLVED that the next report be submitted to the Committee in August 2020.

ACTION: B LUFUNDO / D VALENTINE

COMPLETED INVESTIGATIONS: REPORTS STILL TO BE SUBMITTED TO THE COMMITTEE BY INTERNAL AUDIT

- (21)** CMB 23/12/18: ERF 10490 LOURENSIA PARK SUBSIDISED HOUSING DEVELOPMENT – Report to be submitted to the Committee meeting in March 2020.
- (22)** SCMB 55/02/19: HEIDEVELD-DUINEFONTEIN HOUSING PROJECT: PROFESSIONAL SERVICES, ELECTRICAL ENGINEERING, DESIGN AND SUPERVISION – Report was on the agenda – MPACIC 04/02/20.
- (23)** SCMB 58/04/19: HEIDEVELD-DUINEFONTEIN ROAD HOUSING DEVELOPMENT- Report was on the agenda – MPACIC 06/02/20.
- (24)** SCMB 37/02/19: HEIDEVELD-DUINEFONTEIN HOUSING PROJECT - Report was on the agenda – MPACIC 05/02/20.
- (25)** SCM CM 02/11/12: APPOINTMENT OF LUKHOZI CONSULTING ENGINEERING FOR MORNINGSTAR HOUSING PROJECT - Report was on the agenda – MPACIC 07/02/20.
- (26)** SCMB 22/12/18: HAZENDAL INFILL HOUSING PROJECT: ELECTRICAL RETICULATION AND STREET LIGHTING – Report to be submitted to the Committee meeting in March 2020
- (27)** CONTRACT 35C/2012/14: MANENBERG INFILL HOUSING PROJECT: ELECTRICAL RETICULATION – Report to be submitted to the Committee meeting in March 2020.

(28) CM 54363C: DIDO VALLEY HOUSING PROJECT – Report to be submitted to the Committee in March 2020.

(29) UPGRADING OF STORMWATER CHANNEL AT PHOLA PARK – Report to be submitted to the Committee in March 2020.

INVESTIGATIONS COMPLETED BUT AWAITING FINAL FIGURES BEFORE INTERNAL AUDIT CAN SUBMIT THE REPORTS TO MPAC

(30) TENDER 4Q/2017/18: DESIGN AND CONSTRUCTION OF NY116 SYNTHETIC PITCH IN GUGULETHU – Mr Wentley to provide the final costs.

(31) TENDER 58Q/2016/17: DESIGN AND CONSTRUCTION OF HEIDEVELD EARLY CHILDHOOD DEVELOPMENT CENTRE – Mr Wentley to provide the final costs

ACTION: A MOOLMAN / O WENTLEY

MPAC 06/02/20

CAPE TOWN INTERNATIONAL CONVENTION CENTRE (CTICC) ANNUAL REPORT FOR 2018/19

Councillor Anstey referred to page 175 of the Annual Report and enquired about the operating lease liability. Mr de Wet explained that the lease of the land was charged at R100 per annum but in terms of particular standards the cost had to be based on the valuation of the land which amounted to R2,1m. That amount would be stated as a cost and then written-off. Councillor Anstey then referred to page 176 of the Report and questioned why the income had increased by only 13,5%. He further enquired whether the extension to the CTICC had been completed and whether it was being fully utilised. He also enquired if the expenses would be reduced relative to the income. He was of the opinion that the profit of 6,5% was low and should have been in the region of 10%. He asked what plans had been put in place to increase the profit margin. Mr de Wet acknowledged that the profit was low but said that a few events had been cancelled in 2019 due to the drought.

He further advised that while the occupancy of the extension of the CTICC was increasing, it was not completely full. He said that the expenses had increased in 2019 due to maintenance and the increase in rates which was based on the new municipal valuation. Also the amount of impairment had been R2m of which R1,2m had been written-off. Councillor Anstey noted that R29m had been used for building enhancements. Mr de Wet said that R8,5m had been

used for the supply of water from the harbour culvert and money had been used for the refurbishment of the original building which was 17 years old.

In response to an enquiry from Councillor Khatshwa regarding the number of events, Mr de Wet said that the events would be increasing to 35 in 2021. A process was also being put in place for the CTICC to host its own events. A sports event would be held in September/October 2020 with the assistance of all sporting codes. Councillor Khatshwa enquired about the appointment and advertising of staff vacancies. Mr de Wet responded that while posts were advertised, a number of vacancies were filled internally. He said that 6% of the budget had been spent on staff training.

Councillor Southgate enquired how the personnel costs compared with similar facilities and whether the profit margin compared favourable to international standards. Mr de Wet responded that the average costs for staff was 25% of the budget whereas the international average was 30%. He said that the CTICC was one of the few centres that was self-sufficient and profitable. He assured the Committee that everything was being done to ensure efficiency.

Councillor Adams thanked Mr de Wet for his input and he left the meeting. (10:23)

RESOLVED that the questions and answers on the 2018/19 Annual Report of the Cape Town International Convention Centre be included in the Oversight Report to Council.

RECOMMENDED that the 2018/19 Annual Report of the Cape Town International Convention Centre be adopted without reservation.

ACTION: A MOOLMAN

MPAC 07/02/20

CAPE TOWN STADIUM ANNUAL REPORT FOR 2018/19

Councillor Witbooi voiced his concern that the remuneration of the Board which consisted of 6 persons had increased from R204 000 to R320 000 and enquired how many meetings had been held. Mr de Reuck responded that the cost of R204 000 had been for a period of 4 months. A number of ad-hoc meetings were held to get guidance on the way forward.

Councillor Majingo enquired how long it would take for the Stadium to become self-sufficient. Mr de Reuck responded that the next

financial year would be a full year the Stadium was operating and then a clear picture of the income and expenditure could be seen. He said that at least a 3-year cycle was needed to get an accurate target.

Councillor Anstey enquired whether one tenderer could be awarded more than one contract and the period of the contract. He also enquired if there was an exclusive-use tender. Mr de Reuck responded that the contract would be for a period of 2 years where after it would be re-advertised and a tenderer could be awarded more than one contract. He explained that anyone using the stadium would have to use the supplier contracted with the stadium. However, all negotiations with event organisers were carried out with the stadium staff and not the service provider.

Councillor Khatshwa congratulated the Stadium staff for doing a great job. He enquired about the events at the stadium. Mr de Reuck said that the income target was R23m. Western Province Rugby would take occupation of the stadium in February 2021 and that would result in an increase in income of R15m. He envisaged that the income of the stadium would increase significantly in the next few years. With regard to attracting overseas events, Mr de Reuck said that Big Concerts was on the verge of signing an agreement for 3 events per year.

Councillor Southgate commended the stadium staff for a job well done. He enquired why consultants had been used at a cost of R3m. Mr de Reuck responded that 4 consultants had been appointed to do the following:

- negotiate with Western Province Rugby
- assist with the restructuring of the entity
- assist with developing a marketing strategy
- assist with the acquiring of a sponsor for the naming rights.

He assured the Committee that there would be less use of consultants in the future. Councillor Southgate enquired if the new structure would lead to an increase in costs. Mr de Reuck responded that 2 vacancies would be filled internally and one vacancy, externally.

Councillor Anstey enquired why there was a rush to create posts for a Chief Financial Officer and a Chief Operations Officer for a business which could be termed a small business. Mr de Reuck responded that Price Waterhouse Coopers had looked at a similar size company when considering the structure. He said that the stadium had to have a Chief Financial Officer to ensure a clean



audit and the Chief Operations Officer was an existing post. Mr Valentine added that the Board was asked to commercialise the stadium and as a result the structure had to be reviewed. Also in terms of the Municipal Finance Management Act a Chief Financial Officer and a Chief Operations Officer had to be appointed.

Councillor Witbooi said that the corona virus would impact tourism and enquired if it would have an impact on the stadium. Mr de Reuck responded that at this stage he could not say if the virus would have any impact. He added that 105 events had been hosted in 2019 and soccer matches would continue to be hosted.

Councillor Anstey voiced his concern at the dramatic increase of costs for municipal services and the cost of the audit (R600 000). He also questioned the debtors in arrears for 90 days. He requested a breakdown of the expenditure of R3m. Ms Theron said that the municipal services costs were for everything except rates. She said that the electricity charge was the main factor. The amount of R600 000 was for services rendered by the Auditor-General South Africa. Councillor Anstey requested a report on the office space at the stadium and the cost of electricity for events only. He questioned the use of heaters for the grass. Mr de Reuck undertook to provide a report on the office space. He explained the type of grass for winter and summer and said that artificial grass would not be used at the stadium. Pitches would need to be reseeded from time to time. Ms Theron said that debtors would be handed-over for legal action to be taken against them.

Councillor Adams thanked the staff of the Cape Town Stadium and they left the meeting (11:03).

RESOLVED that


(a) a report on the following be submitted to the next Committee meeting:

- breakdown of the R3m expenditure
- electricity used for events only (if possible)

(b) the questions and answers on the 2018/19 Annual Report of the Cape Town Stadium be included in the Oversight Report to Council;

RECOMMENDED that the 2018/19 Annual Report of the Cape Town Stadium be adopted without reservation.

ACTION: A MOOLMAN / D VALENTINE

 12

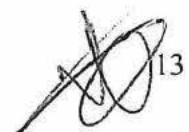
MPAC 08/02/20 CITY'S ANNUAL REPORT FOR 2018/19

Councillor Southgate thanked all the officials for providing the answers to the questions submitted by the Committee. He said that it gave the Committee a better understanding of whether or not progress had been made.

Councillor Majingo referred to question 3 and enquired about the supply of electricity by Eskom to residents within the boundaries of the Cape Metropolitan area. Mr Nassiep responded that 42% of both residential and commercial properties were supplied by Eskom.

Councillor Southgate referred to question 4 and enquired how long it would take to determine the number of backyarders. He also enquired what had been done to get more drop-off sites. Mr Mtyi responded that a City-wide project was being undertaken to determine the number of backyarders. With regard to drop-off sites, he said that it was dependant on the availability of suitable land. In some cases, residents objected to these facilities being placed near their properties. Councillor Southgate said that a drop-off site was being established in Parkwood but not on Ladies Mile. He questioned why these facilities could not be placed near industrial and recycling sites. Mr Keraan explained that the Ladies Mile site was closed due to a land claim. He said that the southern suburbs had drop-off sites in Wynberg, Hout Bay and Parkwood. Westlake was considered for a site but then the land was used for an art enclave. Small containers were used as a satellite site in Kensington and this would be expanded to other areas. Councillor Majingo said that every effort should be made to educate people to keep areas clean.

Councillor Southgate referred to question 15 and enquired if the City was satisfied with the provision of training. Mr Kesson said that sometimes the cost of programmes were quite high and in certain cases external providers had to be appointed which could be expensive. However, training had to be provided by the correct service providers in order to fulfil the Workplace Skills Plan. Councillor Southgate enquired if there was a plan to retain skills for which the City provided funding in the form of bursaries etc. Mr Kesson responded that employees who received bursaries from the City had to work for the City a certain period and if they left before the period had expired, the money would be recovered from them. Ms Sithole added that the Agreement entered into with bursary recipients included a work-back clause. Bursaries were issued to employees in line with the skill requirements of the City.

13

Councillor Southgate referred to question 23 and enquired if all cases where projects were disrupted due to gangsterism and violence were reported to the South African Police Services (SAPS) and whether the cases were investigated by SAPS. He also enquired if EPWP employees who were guilty of abusing their leave were flagged. Ms Gqiba responded that where projects were disrupted, the Human Settlements Directorate worked with the Safety and Security Directorate. Safety and Security would deal with SAPS. She further advised that in Sweet Homes where people had been killed, SAPS did investigate. Councillor Southgate asked if there was a possibility that contractors were conspiring with gangsters to get the work delayed as it would be in their favour as they would continue to get paid. Mr Mbandazayo said that all matters were reported to SAPS but the progress with the investigations was extremely slow. He said that the City was in the process of exploring various avenues to avoid project delays. With regard to the EPWP workers, Mr Mashoko advised that where the workers were subjected to a disciplinary enquiry they were flagged on the City's database.

Councillor Khatshwa referred to question 21 and enquired whether this was the first time the Auditor-General (AG) had raised the matter of the late submission of information and whether the enhancements of the ERP system would be effective. Mr Jacoby responded that this was the second time that the AG had raised the matter. He explained that in the past the ERP system was not designed to produce the kind of information the AG required. However, the ERP and Contract Management departments were working together to ensure that each cost was tracked. He assured the Committee that the problem would not reoccur.

Councillor Southgate enquired what was being done to address the staff shortage in the Human Settlements Directorate. Ms Gqiba responded that staff who had left were not replaced but a recruitment process had been established to fill posts by September 2020. Councillor Southgate referred to question 34 and enquired whether it was worth taking legal action to recover small amounts of money. He asked if the City could not get the political parties to pay their debt before the next election in 2021 or face the possibility of not being able to put up posters on poles along the road. Mr Mbandazayo responded that the City could not take that kind of action as it was regulated by the IEC and the rules of the IEC applied throughout the country. Mr Jacoby added that any debt, no matter how small, could not be written-off without Council approval.


14

Councillor Beneke referred to question 38 and noted that contract management training had not been mentioned. Mr Jacoby responded that a special unit had been established to manage and monitor contracts. Mr Kesson added that every effort was put into enhancing contract management. Collaboration with Urban Management was taking place to look at subcouncils where standards were not being met. Ms Whare added that a competency framework had been established to ensure that people with the right skills were employed.

Councillor Witbooi noted that irregular expenditure had increased from the previous year. He enquired whether the City should go back to previous years to see whether there were cases which should be addressed. He mentioned that a number of section 116 cases pertaining to previous years were recently investigated. Mr Jacoby responded that sometimes old cases were picked-up but the City did not have the resources to go back in history. However, forward tracking would be done. He assured the Committee that after discussions with the AG, the cases involving legal fees would not reappear nor would deviations be reclassified as irregular expenditure. The audit action plan was also being re-evaluated to ensure that it addressed the issues that mattered most. Mr Mbandazayo said that the AG had changed their approach to deviations which the City would now address and rectify. The procurement of legal services had never before been raised by the AG. The City could have had irregular expenditure to the value of R30 billion had the City not had correspondence from National Treasury giving the City permission to transact in a particular way. Mr Jacoby added that the Executive Management Team was united in its approach to address all concerns. Mr Mbandazayo said that it had to be borne in mind that legislation had not changed and therefore there was not additional compliance required. Only guidance had been provided to ensure compliance. Mr Jacoby said that for the first time the City was ahead with its capital spend and projects. He was hopeful that the City would spend above 90% of its capital budget.

Councillor Adams referred to page 114 of the Annual Report and enquired where the 7 toilets had been installed. Mr Webster responded that new technology was being tested and therefore only 7 toilets had been installed. He was unable to say where it had been installed.

In response to an enquiry from Councillor Adams regarding social housing, Ms Gqiba responded that the projects in Woodstock and Salt River were at different stages. In some instance land had still to be acquired. She explained that an environmental impact



assessment took about one year to complete. Mr Mbandazayo said that a report on social housing would be submitted to the Committee.

Councillor Adams questioned whether it was a good idea to embark on an integrated ticketing system in view of the problems experienced with the cash management of the MyCiti tickets. Mr Sass responded that the integrated system would make it easier for commuters. The cash management process had been dealt with and resolved.

Councillor Anstey referred to question 54 and questioned whether the City should consider savings rather than fiscal dumping at the end of the financial year. Mr Jacoby said that the City was trying to identify true savings where contractors tendered at prices lower than expected.

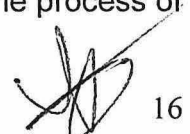
Councillor Beneke referred to question 67 and requested that it be placed on the outstanding list.

Councillor van Zyl referred to question 69 and said that she was not satisfied with the answer. Mr Mashoko acknowledged that an error had been made. With regard to the filling of posts in the Customer Service Branch of the Water and Sanitation Department, Councillor van Zyl enquired if only Heads were being appointed. Mr Webster responded that the support staff would be sourced in-house.

Councillor Southgate referred to question 72 and enquired if the filling of vacancies had improved. Mr Asmal said that it had increased dramatically.

Councillor van Zyl referred to question 75 and requested that the documentation be provided. Ms Le Keur undertook to provide the necessary documents. With regard to question 87 Councillor van Zyl enquired whether more facilities would be provided. Mr Sass responded that a precinct plan for integrated facilities was being established. Mr Botto added that an athletic track was being considered for Mitchells Plain. Councillor Southgate requested a time frame for the track as the City wanted young people to excel in sport. Mr Botto said that research into the project was being conducted.

Councillor van Zyl referred to question 108 and enquired why the target for water and sanitation points were so low. Mr W Adams responded that the target had been reduced as most of the backyarders had been completed and the City was in the process of going back to those who had refused the first time.


16

Councillor van Zyl referred to question 109 and enquired when the regulations for the standard for backyard dwellings would be drafted. Ms Gqiba said that there were no national standards. Councillor van Zyl asked why the regulations had been mentioned in the Annual Report if it did not exist. Ms Gqiba undertook to investigate the matter and report back to the Committee.

With regard to question 114 (Bellville and Salt River Station precinct), Mr Sass undertook to provide a written response to the Committee.

Councillor Southgate enquired whether any questions/comments had been received from the Portfolio Committees. Ms Tippoo advised that beside the questions received from Councillor Cassim, no other questions had been received. She said that the questions would be sent to the relevant directorates and the answers would be submitted to the Committee. Councillor Anstey requested that all the questions be forwarded to the various Portfolio Committees. He was supported by Councillor Southgate. Councillor Adams said that the complete Oversight Report, inclusive of the questions and answers, would be submitted to Council and would therefore be available to all Councillors. He was supported by Councillor Khatshwa.

Councillor Anstey requested an update on all City leases and enquired why the water losses had increased and what was being done to address the matter. He also noted that the income on investments was approximately R200m above budget. He therefore enquired what type of investments had been made by the City and what resulted in the huge return on the investments. It was agreed that the information would be submitted to the Committee.

Councillor Adams thanked the City Manager and all the Executive Directors for attending the meeting and they left (13:27).

RESOLVED that

- (a) the questions and answers on the City's 2018/19 Annual Report be included in the Oversight Report to Council;
- (b) the following information be provided to the Committee in April 2020:
 - 1) the time frame for the proposed athletic track
 - 2) report on social housing
 - 3) a breakdown of other metro's material findings by the Auditor-General on their 2018/19 Annual Report specifically with regard to



**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)
MINUTES**

25 FEBRUARY 2020

- Expenditure Management (Irregular and Wasteful expenditure)
 - Procurement and contract Management
 - Internal Control deficiencies
- 4) report on all current agreements entered into with entities/organisations in the 2018/19 financial year which focus on the marketing of Cape Town and tourism as well as the value and duration of each agreement;
 - 5) report on the regulations for the standards for backyard dwellings;
 - 6) report on the Public Transport Interchange for the Bellville and Salt River Station precinct;
 - 7) report on all City leases;
 - 8) report on why the water losses had increased and what is being done to address the matter;
 - 9) report on the type of investments made by the City and the reason for the huge return on those investments;
 - 10) the answers to the questions put by Councillor Cassim be provided by the relevant directorates.

RECOMMENDED that

(a) the City's 2018/19 Annual Report be adopted without reservation;

(b) it be noted that

- except for comments received from one Councillor, there were no other questions/comments received from the Portfolio Committees and subcouncils;
- it is expected that the City must work towards receiving a clean audit for the 2019/20 financial year.

ACTION: A MOOLMAN / V BOTTO / K JACOBY / K LE KEUR / N GQIBA / E SASS / M WEBSTER

THE MEETING ENDED AT 13:45 FOLLOWED BY THE CONFIDENTIAL MEETING



CHAIRPERSON: CLLR Y ADAMS



DATE

SCHEDULE OF OUTSTANDING COMMENTS AND RESOLUTIONS FROM THE MPAC OVERSIGHT PROCESS

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
2019 INTEGRATED ANNUAL REPORT OF THE CTICC				
QUESTIONS FROM MPAC				
1.	175	E Anstey	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Explain the operating lease liability.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
2.	176	E Anstey	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Expenses increased by 19,2% which is out of context with the rental income increase and what are the plans to reduce the expenses in relation to the rental/exhibition income?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
3.	176	E Anstey	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>(a) The net profit is very low at 6,5% and management should be targeting 10%. What is the CTICC planning to increase the profit margin?</p> <p>(b) How does the profit margin compare to international standards?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
4.	178	E Anstey	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>What was the R29million spent on building enhancements for, considering the recent extension?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
5.	40	D Khatshwa	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>What is management doing to increase the number of events?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
6.	85	D Khatshwa	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Please explain the increase in internal promotions and how do you intend sustaining this?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
7.	178	K Southgate	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>How do the personnel costs compare with similar facilities?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
2019 INTEGRATED ANNUAL REPORT OF THE CTS				
QUESTIONS FROM MPAC				
1.	60	J Witbooi	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>The proposed increase in the Board members' remuneration refers. How is this justified when the CTS is not making a profit? This is a big increased from current financial year.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
2.		B Majingo	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>How long would it take for the CTS to become self-sufficient?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
3.		E Anstey	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>(a) Can one tenderer be awarded more than one contract and what is the period of the contract? (b) Is there an exclusive-use tender?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
4.	21	D Khatshwa	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>When/by how much is the income target going to be amended?</p>	K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
5.	60	K Southgate	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Why were consultants used at a cost of R3m. What was the purpose? Will there be a reduction in the use going forward? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
6.	75	K Southgate	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Will the new proposed structure lead to additional costs? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
7.	13	E Anstey	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Why is there a rush to create the posts of Chief Financial Officer and Chief Operations Officer for a business which could be termed a small business? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
8.		J Witbooi	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 The corona virus will impact tourism. Will it impact the stadium? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
9.	69	J Witbooi / E Anstey	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 (a) There was a dramatic increase in municipal services – if possible, provide the electricity costs used for events. (b) Please provide a breakdown of "other expenditure". MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS	K Jacoby
2018/19 INTEGRATED ANNUAL REPORT OF THE CCT				
QUESTIONS FROM MPAC				

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
1.	14	K Southgate	WATER What percentage of the metro population fall outside of the national service standard? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	M Webster
2.	14	K Southgate	SANITATION What is the current standard and how many people in the metro have access to adequate sanitation? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020 ADDITIONAL MATTER	M Webster
3.	14	K Southgate/ B Majingo	ELECTRICITY (a) What percentage of the people in the metro fall within the Eskom supply area? (b) How serious is this problem? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020 <u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u> What percentage of residential and commercial properties were supplied by Eskom? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Nassiep
4.	14	K Southgate	REFUSE REMOVAL If so many people have access to either kerb-side or door-to-door refuse removal, then what are the reasons for the illegal dumping? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020 <u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u> (a) How long would it take to determine the number of backyarders?	M Webster

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			(b) What had been done to get more drop-off sites. (c) Why could drop-off sites not be placed near industrial and recycling sites instead of near residential areas? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
5.	29	K Southgate	CONSEQUENT MANAGEMENT Is the policy fully aligned to existing legislation and regulations? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	City Manager
6.	29	K Southgate	OFFICE OF THE OMBUDSMAN (a) Have all the complaints been categorized? (b) In which departments have the complaints originated? (c) Provide a "heat map" of these complaints. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	City Manager
7.	43	K Southgate	INFRASTRUCTURE INVESTMENT PROGRAMME (a) When was this plan drafted and when was it last reviewed and by whom? (b) How does it align with the City's IDP? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Le Keur
8.	43	K Southgate	ADOPTION OF CIDMS (a) What are the advantages to the City? (b) Has this been assessed and by whom? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Nassiep
9.	43	K Southgate	WATER WASTE TREATMENT PLANTS Are there any challenges that prevents the City from scoring 100% and if so, what are they? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	M Webster
10.	48	K Southgate	DWS BLUE DOT AUDIT	M Webster

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			What are the latest results and why is the City not able to achieve 100%? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
11.	49	K Southgate	ROAD UPGRADE PROJECTS (a) How many jobs were created and where were they created? (b) What was the total value of these jobs as a percentage of the contract sum? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	E Sass
12.	51	K Southgate	440 KM OF CYCLE LANES (a) Where are these lanes located? (b) How many people on average use these lanes on a daily, weekly and monthly basis? (c) How much has the City spent on installing the lanes? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	E Sass
13.	52	K Southgate	MURP (a) How much has been spent on MURP projects? (b) How have these projects impacted the local communities? (c) Which areas have been identified for upgrading? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	P Mashoko
14.	62	K Southgate	DIGITAL CITY PROGRAMME How much has been spent on this programme and which communities benefited directly from the service? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	C Kesson
15.	63	K Southgate	SKILLS INVESTMENT PROGRAMME (a) How many people were trained in each sector and what was the cost per person for each initiative? (b) How does this compare with university fees? (c) What was the total cost for the training of the 40 people?	C Kesson

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p> <p><u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u></p> <p>Was the City satisfied with the provision of training?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	
16.	66	K Southgate	<p>TRAINING</p> <p>How much does it cost to train one person in a particular field and how does the fees compare with those charged by the SETA in that field?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	C Kesson
17.	66	K Southgate	<p>EPWP IN INFORMAL SETTLEMENTS</p> <p>(a) Has this intervention led to an improvement in the conditions of informal settlements? (b) Submit a report on where these persons are employed and the status of the facilities in which they are employed.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	P Mashoko
18.	159	K Southgate	<p>HUMAN RESOURCES</p> <p>(a) When last was a skills audit conducted in the City? (b) What were the results of such audit? (c) What skills gaps were identified? (d) What plans have been put in place to address those skills gaps? (e) What percentage of the Human Resource Dept. budget was spent on addressing the skills gap with particular reference to the critical skills shortage in the City?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	C Kesson
19.	157	K Southgate	<p>RECOGNITION AND REWARDS PROJECT</p> <p>(a) How will this align with the current performance and rewards system in the City?</p>	C Kesson

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			(b) What has been happening in the past? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
20.	159	K Southgate	HUMAN RESOURCE CAPACITY (a) Why does the City have a vacancy rate of 11,71%? (b) At what level are these vacancies and is it having an impact on service delivery? (c) What is being done to address the vacancies? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	C Kesson
21.	173	K Southgate / D Khatshwa	KEY AUDIT MATTER The AGSA indicated that there were difficulties / delays with the provision of information within agreed timeframes which impacted on the audit. As this could lead to a limitation of scope finding, why was the information not provided on time and in what instances was it not provided timeously? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020 <u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u> Was this the first time that the AGSA raised the matter of late submission of information and would the enhancements of the ERP system be effective? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
22.	174	K Southgate	MATERIAL LOSSES/ IMPAIRMENTS The AGSA flagged significant impairments. Provide reasons why this was allowed to occur, who was responsible for this, the consequences for the officials concerned and how it is to be remedied so that it can nor reoccur. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
23.	174	K Southgate	UNDERSPENDING OF THE BUDGET The AGSA indicated an underspending of R2,4 billion on the operating budget and R1,3 billion on the capital	All EDs

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>budget:</p> <p>(a) What has happened to the R2,4 billion as a result of the underspending?</p> <p>(b) What are the line items in the operating budget affected by this underspending?</p> <p>(c) What impact did this underspending have on service delivery?</p> <p>(d) Which capital projects were impacted on as a result of the R1,3 billion under-spending?</p> <p>(e) What has happened to the R1,3 billion?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p> <p><u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u></p> <p>(a) Were all cases, where projects were disrupted due to gangsterism and violence, reported to the South African Police Services (SAPS) for investigation?</p> <p>(b) If EPWP employees were guilty of abusing their leave flagged on the system.</p> <p>(c) Is it possibility possible that contractors are conspiring with gangsters to get the work delayed as it would be in their favour as they would continue to get paid</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	
24.	176 Item 27	K Southgate	<p>EXPENDITURE MANAGEMENT</p> <p>(a) Provide a breakdown of the R950,37m irregular expenditure.</p> <p>(b) Explain how each occurred.</p> <p>(c) Explain what action has been taken against officials implicated in each case.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
25.	177 Items 41-44	K Southgate	<p>AGSA LISTED A NUMBER OF ISSUES</p> <p>(a) Provide the list of contractors paid after the expiry of the contracts.</p> <p>(b) Provide the details of the officials who authorized the payments and why they were authorized.</p> <p>(c) What were the consequences for those officials who authorized these payments?</p> <p>(d) When will the financial system be fixed to prevent this from reoccurring and what has been done in the interim to ensure that it does not happen?</p> <p>(e) Who authorized the delegations allowing the legal department to procure legal services unlawfully?</p> <p>(f) Provide details of the council employees who contravened the regulations by conducting business with the</p>	City Manager All EDs

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			City as cited by the AG and what has been done in each instance to those implicated. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
26.	182	K Southgate	RESOLVING INTERNAL AUDIT FINDINGS (a) Why has management only resolved 72% of audit findings? (b) Which audit findings have not been resolved and why? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	City Manager
27.	176 Note 27	K Southgate	The AGSA highlighted weaknesses in ensuring early warning detection signals. (a) What were the reasons for the increase in non-compliance and why were reasonable steps not taken to prevent the increase in irregular expenditure in comparison to previous financial years? (b) Provide the details of each instance. (c) What action has been taken against each official implicated in the irregular expenditure? (d) What strategies and plans have since been implemented to prevent and or reduce non-compliance, fraud, corruption and how do we measure that? (e) Does the City investigate all cases of non-compliance and how is it dealt with? (f) How many disciplinary enquiries have been held in that regard and what were the outcomes? (g) Provide the MPAC with the Management Letter for 2018/19. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
28.	179 Note 27	K Southgate	REDUCTION OF DEVIATIONS (a) What were the actual number of deviations? (b) Is the City confident that the deviation guidelines that have been implemented will significantly reduce the number of deviations? (c) How and by whom will this be monitored and have a change in staff behaviour already been seen? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
29.	179 Note 29	K Southgate	Has this Contract Management Unit been re-assessed with regard to its effectiveness taking into account the past and present findings of the AG. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	C Kesson

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
30.	179 Note 30	K Southgate	Have supplier performance verifications been enhanced to ensure that value for money is received on every contract and that the supplier obligations are met? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	C Kesson
31.	179 Note 31	K Southgate	DECLARATIONS OF INTEREST (a) Are all staff declarations analyzed when captured and is the City satisfied that the current controls and processes are sufficient for detecting conflicts of interest? (b) What contributed to the 6 instances of inadequate disclosures and have they been investigated and what were the outcomes? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	City Manager
32.	234 Note 7.1	K Southgate	(a) What is the total amount of loans outstanding from sporting bodies? (b) Are these loans being serviced by the facility operators? (c) Provide a list of all sporting facilities, the outstanding amounts and the remainder of the period of the loans. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
33.	262 Note 40.2.2 iv	K Southgate	TRANSFERS AND GRANTS (a) Were the experiences of community unrest and related violence the only reason for the delay with the building of top structures? (b) Where did these incidents of community unrest and gang related violence occur? (c) Were the Ward Councillors called upon to assist and were these cases all reported to SAPS? (d) How much time was lost and did it impact on the contract price and if so, what were the amounts? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	N Gqiba
34.	264 Note 41.1	K Southgate	POLITICAL PARTIES ARREARS Provide a list of the debtors' arrears owed by Political Parties and what actions have been taken to recover the debt. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020 <u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u>	K Jacoby Speaker

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>Is it worthwhile taking legal action to recover small amounts of money? Could the City not get the political parties to pay their debt before the next election in 2021 or face the possibility of not being able to put up posters on poles along the road?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	
35.	264 Note 41.3.1	K Southgate	<p>Provide reasons why the City had not complied with the Broadband project as per section 19(20)(b) of the MFMA and what is the current status of the project?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	C Kesson
36.	265 Note 41.3.3.2	K Southgate	<p>Provide the details of incidents listed under fruitless and wasteful expenditure amounting to R19,8m.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
37.	297	K Southgate	<p>(a) In exceeding the target for Wi-Fi installations, where did the extra funds come from for the additional locations?</p> <p>(b) Where are the 7 additional locations situated and how were they determined?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	C Kesson
38.		B Majingo	<p>What is the City planning to do in respect of procurement and contract management in view of the AG's opinion for three (3) consecutive financial years?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p> <p><u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u></p> <p>Contract management training is not mentioned?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
39.		B Majingo	<p>What are the reasons for the shortcomings in Internal Control Systems in order to prevent recurrences which have been reported for 3 consecutive financial years?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
40.		B Majingo	<p>Why were no reasonable steps taken to prevent irregular expenditure amounting to R950 370 000,00 in contravention of regulations 17(i) and (c), 19(a) and 36(1)?</p>	C Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
41.		B Majingo	Why were some of the goods and services above the value of R200 000,00 procured without inviting competitive bids? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
42.		B Majingo	Whilst deviations are permitted and what motivations were given for these deviations to be approved, as regulation 36(1) is clear? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	City Manager
43.		B Majingo	Why were bid specifications designed to benefit certain bidders at the disadvantage of others thereby contravening regulation 27(2)(a) two years in a row? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
44.		B Majingo	Why were the Preferential Procurement Regulations not adhered to? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
45.		B Majingo	Why was the local content threshold not quantified as required by the preferential procurement regulation 8(2) of 2017? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
46.		B Majingo	Why were contracts extended without following the correct process? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
47.		B Majingo	Why were contractors and/or service providers not monitored timeously as required by section 116(2)(b) of the MFMA? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
48.		B Majingo	Why is the City allowing transactions below R200 000 to be procured with quotations as per 17(a) and (c)? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
49.		B Majingo	What were the reasons for the contracts to go beyond their contract period without being noticed and payments made contravening the supply chain management policy?	K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
50.		B Majingo	Why are family members of City employees allowed to benefit due to shortcomings in the system?	K Jacoby
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
51.		B Majingo	How many of the contracts awarded to family members are completed or are still open?	K Jacoby
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
52.	8 Note 38	J Witbooi	Could the material losses have been prevented and if so, what mechanism can the City adopt to prevent these losses from recurring?	K Jacoby
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
53.	10	J Witbooi	Could the receivable impairments been prevented and if so, what mechanism can the City adopt to prevent this from recurring.	K Jacoby
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
54.	11	J Witbooi	What mechanisms are the City adopting to ensure that the budget is spent?	All EDs
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
			<u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u>	
			Should the City consider savings rather than fiscal dumping at the end of the financial year?	
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
55.	13	J Witbooi	Why did the City not provide the required disclosure note as prescribed by the MFMA and what is the City going to do to ensure that this will not reoccur?	K Jacoby
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
56.	27	J Witbooi	What mechanism is the City adopting to prevent irregular expenditure from reoccurring?	K Jacoby
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
			<u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u>	

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			Irregular expenditure has increased from the previous year. Should the City go back to previous years to see whether there were cases which should be addressed? A number of section 116 cases pertaining to previous years were recently investigated by MPAC. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
57.		Y Adams	Why is there underspending of the capital and operating budget? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	All EDs
58.		Y Adams	What are the problems with the contractual disputes and does the City have a problem with drafting contracts? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	C Kesson
59.		Y Adams	Why is the irregular expenditure so high? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
60.		Y Adams	Why does the AGSA state that no reasonable measures were instituted? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
61.		Y Adams	Is there a problem in the procuring process and if so, why? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
62.		Y Adams	Problems are continuing in the Supply Chain Management department year in and year out. Is there a general problem in that department? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
63.		Y Adams	Why are there so many strategic staff vacancies in the City? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	C Kesson
64.		Y Adams	Is the agenda to employ consultants and contractors deliberate? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	C Kesson
65.		Y Adams	Are any officials in the Finance Directorate going to be held accountable for the many discrepancies highlighted by the AGSA?	K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
66.		Y Adams	Will the City be experiencing the same problems in the 2019/20 financial year? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Jacoby
67.	367	R Beneke	The absence of adequate Contract Management in the City was highlighted by the AG as a significant risk over the past couple of years. Although numerous interventions were already implemented by different directorates, the issue of Contract Management is a recurring theme in this year's AG report. (a) I would therefor like to know if other Metro's have similar management constraints and the overall magnitude (context) of the issues at hand. This can/should then be used when considering best practises, planning and other remedial interventions. (b) Please provide a breakdown of other Metro's material findings on their 2018/2019 AG report, on: <ul style="list-style-type: none"> ▪ Expenditure Management (Irregular and Wasteful Expenditure) ▪ Procurement and Contract Management ▪ Internal control deficiencies MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS	K Jacoby (c)
68.	2 of the Briefing Note	R Beneke	CONSEQUENCE MANAGEMENT Provide further information on how consequence management was rolled out over the last financial year, the scope thereof and whether a significant impact was made? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	City Manager
69.	27	A van Zyl	SUBCOUNCILS The detail of the subcouncil chairpersons appointed after the announcement of the Mayoral Committee in December 2018 are not reflected, e.g. Subcouncil 2 – Cllr Brenda Hansen & Subcouncil 21 – Alderman van der Merwe. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	P Mashoko Speaker
70.	29	A van Zyl	LEADERSHIP CONFERENCE Please provide the following information related to the conference: <ul style="list-style-type: none"> ▪ Number of attendees per day and per topic; 	City Manager

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<ul style="list-style-type: none"> Cost of the conference; Expected outcomes; and Measured outcomes. <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	
71.	29	A van Zyl	<p>CONSEQUENCE MANAGEMENT</p> <p>Have the standard operating procedures and the consequence management register been finalized and implemented? If not, what is the current status thereof? And what is the expected date of implementation?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	City Manager
72.	34	A van Zyl	<p>BUILDING PLANS</p> <p>According to the report the % building plans finalized within the statutory timeframes have decreased (from 97,5% in 2017/18 to 92,8% in 2018/19). Please provide the reason(s) for this decrease and the detail of the planned and/or scheduled interventions/actions to ensure that the % building plans finalized within the statutory timeframes increase.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	O Asmal
73.	35	A van Zyl	<p>THINK TWICE KERBSIDE RECYCLING PROGRAMME</p> <p>The Think Twice kerbside recycling programme is currently offered to 170 000 households. When will the City roll out the programme to other households? And what would the cost be? Please provide details on the areas as well as the projected cost for the MTEF period.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
74.	40	A van Zyl	<p>FILM BOOKINGS</p> <p>Since 2016/17 only about 60% of film booking applications were successful. Please provide details of the reasons why applications are not successful and what, if any, support is provided by the City to the applicants in an effort to improve the number of successful applications.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	R Bosman
75.	42	A van Zyl	<p>TOURISM</p>	K Le Keur

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>The CoCT has entered into an agreement with Cape Town Tourism for in-destination and visitor services, tourism marketing and special City projects. Please provide details of all current agreements (in the reporting period) with entities/organization which focus on the marketing of Cape Town and tourism as well as the value and duration of each agreement.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p> <p><u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u></p> <p>Can the documentation please be provided.</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	
76.	45	A van Zyl	<p>MULDERSVLEI WATER TREATMENT WORKS</p> <p>Please provide the expected date of commencement of construction of the aforementioned treatment works as well as the total cost of the project.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
77.	45	A van Zyl	<p>CONTERMANSKLOOF RESERVOIR</p> <p>Was a due diligence process for <u>all</u> the partners followed before the contract for this project was awarded to the joint venture?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
78.	46	A van Zyl	<p>CUSTOMER SERVICE BRANCH</p> <p>According to the report a Customer Service Branch in the Water and Sanitation Department will be developed and implemented. Please confirm the progress made with the implementation of the Branch and/or the date of the implementation.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
79.	46	A van Zyl	<p>TENDERING PROCESS FOR SUPPLEMENTARY CONTRACT – DEEP AND HORIZONTAL DRILLING</p>	M Webster

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>Please provide the tender progress report for the aforementioned tender as well as the expected date for awarding the tender and the projected value of the contract.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	
80.	47	A van Zyl	<p>GROENLANDBERG & NUWEBERG WELLFIELDS</p> <p>What were the City's intentions with the development of the conceptual infrastructure layouts? And what are the future plans for the abovementioned wellfields?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
81.	47	A van Zyl	<p>INFRASTRUCTURE MAINTENANCE SERVICE PROJECT</p> <p>In the 2018/19 financial year 86% of the R 26,36 million capital budget for the refurbishment and replacement of bulk water infrastructure was spent? Please provide reason(s) for the underspending and details of the remedial steps the Department of Water and Sanitation will be taking to ensure that the balance of the budget is spent.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
82.	47	A van Zyl	<p>INVESTMENT IN WATER AND SANITATION REPAIRS AND MAINTENANCE</p> <p>During the reporting period an amount of R1.03 billion and in the previous financial year an amount of R2,45 was spent was spend on water and sanitation repairs and maintenance. Why was less money invested, in comparison with the previous financial year, on the water infrastructure?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
83.	49	A van Zyl	<p>CONSTRUCTION OF SURFACED FOOTWAYS</p> <p>(a) What was the amount budgeted for the construction of surfaced footways, how much of the budget was spent and in which areas were the investments made?</p> <p>(b) Please provide details of the spending per area.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	E Sass
84.	49	A van Zyl	<p>ROAD CONGESTION RELIEF PROJECT</p> <p>The report refers to additional special funding which will be secured for congestion alleviation projects. Please</p>	E Sass

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			provide details on where and how this additional special funding will be secured. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
85.	52	A van Zyl	BUSINESS INCENTIVE PROJECT Please name the 5 additional areas the incentive scheme will be rolled out to. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Le Keur
86.	54	A van Zyl	INFORMAL ECONOMY SUPPORT PROGRAMME Please provide the following information regarding the Leadership Development Programme which took place in Khayalitsha Lookout Hill: <ul style="list-style-type: none"> ▪ Date; ▪ Number of invitees; ▪ Number of attendees; ▪ Cost; ▪ Expected outcomes; ▪ Number of outcomes; and ▪ Planned follow-up interventions. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Le Keur
87.	57	A van Zyl / K Southgate	PROGRESS AND PLANS WITH REGARD TO A NUMBER OF THE CITY'S KEY STRATEGIC ASSETS Please provide the following: <ul style="list-style-type: none"> (a) Reason(s) for the budget allocated to the Good Hope Centre being verimented to the City Hall and the Granary. (b) What is the long term plan for the Good Hope Centre and how and when will the plan be realized/ready for implementation? (c) What is the current condition of the Green Point athletic track? (d) Is the track able to accommodation <u>all</u> big annual athletic events in the City of Cape Town, including all primary and high school events from all the areas? (e) Is any upgrading to the Green Point athletic stadium planned for the near future? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	K Le Keur E Sass

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p><u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u></p> <p>Can more facilities be provided?</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	
88.	58	A van Zyl	<p>Business engagement projects</p> <p>(a) Please provide the following:</p> <ul style="list-style-type: none"> ▪ Number and dates of the business meetings; ▪ Number of attendees at the business meetings; ▪ Expected and measured outcomes of the meetings. <p>(b) And if the meetings have not taken place (quarterly), please provide the reasons why it hasn't take place.</p> <p>(c) Please indicate how many focus group sessions, as part of the economic growth strategy, have taken place, as well as the dates. Please include the details of the focus groups, number of invitees and attendance. And the venue and costs involved.</p> <p>(d) Provide details of the "further engagements with the key businesses" referred to in the last paragraph on the page, e g format of the engagements, number of businesses and individuals involved, number of engagements, venue(s) and costs.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Le Keur
89.	59	A van Zyl	<p>PRIVATE SPONSORS PROJECT</p> <p>Please provide the report which was submitted to the Finance Portfolio Committee as part of the oversight of the project.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Le Keur
90.	60	A van Zyl	<p>OPTIMISING AND RATIONALISING CITY-OWNED IMMOVABLE PROPERTY ASSETS</p> <p>Provide details of the City's properties which were sold and the leasing of those properties which are no longer required. Please include the number of the properties and the value of each transaction.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Le Keur
91.	63	A van Zyl	SPV, SKILLS DEVELOPMENT AND APPRENTICESHIP INVESTMENT AND GRADUATE INTERNSHIP PROJECT	K Le Keur

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>(a) Why did the additional 2 EPWP training projects, which was budgeted for, not take place and was approval granted to "roll over" the funds to the 2018/19 financial year?</p> <p>(b) How many persons participating in the mentioned training initiatives were permanently placed and in which sectors?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	P Mashoko
92.	67	A van Zyl	<p>INDEPENDENT POWER PRODUCERS PROJECT</p> <p>(a) When was the grant agreement with the United States Trade and Development Agency signed? Were the final reports submitted at the end of 2019? What were the final outcomes and recommendation? And what are the next steps?</p> <p>(b) Does the current draft Waste Management Policy make provision for the waste-to-energy projects?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Nassiep
93.	69	A van Zyl	<p>SHARING KNOWLEDGE ON COMMERCIAL ENERGY EFFICIENCY</p> <p>Does the workings and discussion of the Cape Town Energy, Water and Waste Forum impact or influence the waste stream challenges and if so, please provide examples.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Nassiep
94.	72	A van Zyl	<p>CLIMATE PROJECTS PARTIALLY FUNDED BY THE CITY'S GREEN BOND (TABLE 6)</p> <p>Please provide details on the current status, progress and funds spent on each of the projects.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Nassiep
95.	73	A van Zyl	<p>MITIGATING FLOOD RISKS</p> <p>Please provide detail of the project on Sir Lowry Pass river, e g:</p> <ul style="list-style-type: none"> ▪ Current status of the project; ▪ Tender process (progress report); ▪ Budget allocated; ▪ Expected dates of implementation and completion. 	O Asmal

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
96.	73-75	A van Zyl	GREEN INFRASTRUCTURE PROJECT (a) What is the current status of the green infrastructure plan for Cape Town and what is the expected date of completion and implementation? (b) How far is the process of developing tools and guidelines which will assist with the projection and enhancement of the infrastructure? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	O Asmal
97.	83	A van Zyl	DEVELOPMENT OF SAFETY PLANS PROJECT (a) What is the expected date for completion of the safety plans for the areas mentioned? (b) Is it envisaged that the implementation of the plans depends on the availability of funds and manpower? If so, what is the estimated funds required? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	R Bosman
98.	84	A van Zyl	YOUTH CADET PROJECT What recruitment process is followed for the youth cadet project? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	R Bosman
99.	95	A van Zyl	STAFF CAPACITY PROJECT Please provide the number of additional safety and security staff deployed in the City as well as the areas (wards) where they were deployed. Please exclude the staff who is still attending training (some was allocated, but are not in active duty as they are still in training) MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	R Bosman
100.	86	A van Zyl	NEIGHBOURHOOD POLICING PROJECT Please provide the number of neighbourhood safety officers deployed in the City as well as the areas (wards) where they were deployed. Please exclude the staff who is still attending training (some was allocated, but are not in active duty as they are still in training)	R Bosman

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
101.	86	A van Zyl	NEIGHBOURHOOD SAFETY TEAMS What was the cost of the deployment of the NST in Delft in 2017? And the cost of the NST deployed in Bonteheuwel? Which areas were identified to be suitable for similar deployment in the future? And when will the expected deployment take place? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	R Bosman
102.	93	A van Zyl	WATER DEMAND MANAGEMENT (a) Which zones for pressure management were implemented in the reporting period? (b) And which additional zones will be going/went online in 2018/19 and 2019/20? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	M Webster
103.	94	A van Zyl	TREATED-EFFLUENT NETWORK (a) Please provide details of the current network(s) in place (areas) as well as the plans for the expansion thereof in the short and medium term. (b) Please include the total km as well as the cost for each. (c) Please provide the estimated savings as a result of the use of own stormwater and sewer depots for the flushing and cleaning of pipelines. (d) In which areas were the water and sewer mains replaced in 2017/18? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	M Webster
104.	101	A van Zyl	DESIGN AND DEVELOPMENT OF INTEGRATED WASTE MANAGEMENT FACILITY IN HELDERBERG (a) Has the additional environmental impact assessment been completed? What was the cost thereof? (b) How will the aforementioned assessment impact on the existing contract? (c) Will the contract still be completed by 2020? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	M Webster
105.	103	A van Zyl	KRAAIFONTEIN INTEGRATED WASTE MANAGEMENT FACILITY (a) According to the information available, the Kraaifontein Integrated Waste Management Facility has	M Webster

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>reached its full capacity.</p> <p>(b) Is the aforementioned statement correct? Yes, or no?</p> <p>(c) When was the facility put into operation?</p> <p>(d) What was its expected lifespan?</p> <p>(e) Which other facilities in Cape Town has similar features? And how will the waste of the areas which the Kraaifontein facility served, be accommodated in the future?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	
106.	104	A van Zyl	<p>DROP-OFF FACILITIES</p> <p>What are the reasons for no further work/planning at the Beaconvale drop-off facility?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	M Webster
107.	106	A van Zyl	<p>COMMUNITY SERVICES AND HEALTH HUBS IN INFORMAL SETTLEMENTS</p> <p>In which two informal settlements will the next hubs be implemented?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	V Botto
108.	113	A van Zyl	<p>AREA-BASED RAPID RESPONSE MAINTENANCE TEAMS</p> <p>(a) Please provide the following information:</p> <ul style="list-style-type: none"> ▪ Have the area-based rapid response maintenance teams been established? ▪ If yes, when (provide dates for each area) ▪ Number of complaints each area team has attended to ▪ Turnaround time for attending to complaints <p>(b) Please provide details of the upgrades to informal settlements and backyard services. In which areas will the backyarder services be implemented and when?</p> <p>(c) Please provide reason(s) for the low target for the installation of water and sanitation points (164 for 2018/19). What is the number of backyarders without water and sanitation points?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p> <p><u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u></p>	N Gqiba M Webster R Bosman

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			Why was the target for water and sanitation points so low? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
109.	115	A van Zyl	REGULATION FOR STANDARD FOR BACKYARD DWELLINGS What is the current status of the development of regulations? When will a draft be available? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	N Gqiba
110.	123	A van Zyl	HOSTELS REFURBISHMENT AND UPGRADE PLAN Has the section 33 of the MFMA process for the approval been followed and completed? If not, what is the hold-up? Please provide reasons and remedial steps. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020 <u>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</u> When would the regulations for the standard for backyard dwellings be drafted? MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS	N Gqiba
111.	136	A van Zyl	EXISTING RAIL STATIONS AND BRT STATION PARTNERSHIP PROJECT What is the current status of the Kuils River station precinct project? And what is the expected way forward as well as timelines? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	E Sass
112.	138	A van Zyl	INFRASTRUCTURE INVESTMENT PROJECT Please provide the detailed plan for the project as well as the expected date of commencement of the tender process. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	E Sass
113.	139	A van Zyl	TRAFFIC CALMING PROGRAMME	E Sass

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>(a) How many traffic calming investigations were undertaken in the reporting period?</p> <p>(b) How many traffic calming measures were approved?</p> <p>(c) And how many approved traffic calming measures were implemented?</p> <p>(d) How many approved traffic calming measures, without the necessary budget allocation, are on record?</p> <p>(e) What other traffic calming interventions and/or policy development are being investigated by the Department?</p> <p>(f) As the Voortrekker Road Corridor and the Blue Downs integration zones have been in the planning phase (since 2014/15 for Voortrekker Road). Please provide the reasons for the delays in the processes?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	
114.	140	A van Zyl	<p>BELLVILLE & SALT RIVER STATIONS</p> <p>I'm not sure about the Salt River station, but know that the Bellville Station (PTI) was identified some time ago and was actually one of the City's catalytic projects. Please provide reason(s) for the project not moving past the planning phase.</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	E Sass
115.	142	A van Zyl	<p>PRIORITY PRECINCTS</p> <p>Please name the priority precincts which is referred to.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	E Sass
116.	155	A van Zyl	<p>VALUATION ROLL</p> <p>Please provide the % referred to in paragraph 2.</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	K Jacoby
117.	161	A van Zyl	<p>CITY SKILLS INTERVENTIONS AND PROJECTS</p> <p>What was the budget for external opportunities (funded across City directorates)? And if the total budget was not spent, what were the reason(s)?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020</p>	C Kesson
118.	176	A van Zyl	PROCUREMENT AND CONTRACT MANAGEMENT	K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			28 – 35 Please provide detail of the matters the AG is referring to. MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	
119.		Y Adams	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Social housing MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS	N Gqiba
120.		Y Adams	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Is it a good idea to embark on an integrated ticketing system in view of the problems experienced with the cash management of the MyCiti tickets? MATTER RESOLVED AT MPAC MEETING ON 25 FEBRUARY 2020	E Sass
121.		E Anstey	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Provide an update on all City leases. MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS	K le Keur
122.		E Anstey	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Why have the water losses increased and what is being done to address the matter? MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS	M Webster
123.		E Anstey	QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020 Income on investments was approximately R200m above budget. What type of investments had been made by the City and what resulted in the huge return on the investments? MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS	K Jacoby
2018/19 INTEGRATED ANNUAL REPORT OF THE CCT				
QUESTIONS FROM COUNCILLOR CASSIM				

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
1.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: In the 2018/19 report the Executive Mayor indicated the following: "At the same time, by spending R2,7 billion to position Cape Town as a globally competitive City that attracts investment, we are stimulating job growth. In the 2018/19 financial year, the City has already committed to spend R4,1 billion to upgrade informal settlements and provide water and waste services, and R1,8 billion on transport and urban development."</p> <p>Question: Was the full amount of R4,1 billion spent in 2019 / 20 to upgrade informal settlements and R1,8 billion on transport and urban development? If not, why not; if so, what are the details?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	K Jacoby N Gqiba P Mashoko
2.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: In the 2019/20 report it was indicated that strategic focus area one would be focussed on creating "an environment where investment can grow and jobs can be created."</p> <p>Question: Was the above strategy made centrally applicable to such apartheid era dormitory townships such as Khayelitsha, Mitchells Plain, Langa and so on? If not, why not; if so, what was done in these areas to supplement city allocated funds with funds available through the R400 billion infrastructure fund set up by President Ramaphosa to drive economic growth through infrastructure development in townships and other underdeveloped areas?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	K Le Keur K Jacoby
3.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 14 the Executive Mayor says: "Housing is a core part of this commitment, and our ongoing efforts and investment to create and maintain integrated, well-functioning human settlements are a key way in which we are working to strengthen Cape Town's communities and rectify the legacy of apartheid spatial design."</p>	N Gqiba

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>Question: Considering that national legislation no longer speaks of housing but of "human settlement" in order to incorporate such key functions for humans as "protection, pooled economies, shared natural resources, and socioemotional connections" is the City expanding "human settlements" to the full extent of its meaning? If not, why not; if so, what features of human settlement characterise what the City is delivering?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
4.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: The report on page 21 states: "The City is intent on building – in partnership with the private and public sector – a more inclusive, integrated and vibrant city that addresses the legacies of apartheid, rectifies existing imbalances in the distribution of different types of residential development, and avoids the creation of new structural imbalances in the delivery of services.</p> <p>Question: Did the City succeed in its intention of building, "in partnership with the private and public sector – a more inclusive, integrated and vibrant city that addresses the legacies of apartheid, rectifies existing imbalances in the distribution of different types of residential development, and avoids the creation of new structural imbalances in the delivery of services?" If not, why not; if so, with whom did the City partner, particularly in the private sector, to genuinely address "the legacies of apartheid" and what noteworthy achievements were recorded in this regard?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	N Gqiba
5.		M Cassim	<p>ADDITIONAL QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 35 we read: On 13 December 2018, Council decided that the City would become a corporate member of the Institute of Directors in South Africa (IoDSA) to support the administration's continuous efforts to embed King IV good governance principles in its operations."</p> <p>Question: Has the City been actively participating as a corporate member of the Institute of Directors in South Africa (IoDSA) and has it embedded a wide range of King IV good governance principles in its operations?" If not,</p>	City Manager K Jacoby

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>why not: if so, in which manner did it participate in (IoDSA) and which King IV principles has the City fully embedded in its operations?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
6.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 42 we read: "The City's efforts to expedite land development in support of its transit-oriented development (TOD) strategy continue. The aim is to be more responsive to fast-changing urban dynamics and help establish integrated communities. Key to this approach is reviewing and simplifying the City of Cape Town Municipal Planning By-law, 2015 (MPBL), and entrenching the City's Development Application Management System (DAMS) to ensure that both these instruments enable economic growth.</p> <p>Question: Whether land development in support of the City's transit-oriented development (TOD) strategy took place in any meaningful or substantial manner? If not, why not; if so, what was the nature and extent of the land development to achieve the City's transit-oriented development (TOD) strategy?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	O Asmal
7.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 44 we read: "The industries where Cape Town has the most pronounced job creation advantages are fishing, real estate, textiles and clothing, hotels and restaurants, and food and beverage manufacturing. These remain key focus areas for attracting investment."</p> <p>Question: Are the townships where poverty remains acutely severe being actively supported to participate in fishing, real estate development, textiles and clothing manufacture, hotels and restaurants development, and food and beverage manufacturing? If not, why not; if so, which townships have been supported, in what manner and to what extent?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	K Le Keur
8.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p>	K Nassiep

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>Statement: On page 49 we read: "National Treasury also developed a bespoke CIDMS implementation strategy for the City, the implementation of which is well underway by the Energy and Climate Change Directorate."</p> <p>Question: Has the City actively implemented the CIDMS implementation strategy and as a consequence thereof has the full amount of R23 billion been invested in infrastructure in the three years from 2018/19 to 2020/21 and furthermore what specific role has the Energy and Climate Change Directorate been playing / played in this regard? If not, why not; if so, what are the details?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
9.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 53 we read: "At the Cape Flats aquifer, three contracts have been awarded for groundwater development, including contracts for drilling and for linking infrastructure between boreholes, reservoirs, treatment facilities and reticulation injection points. Already, 62 monitoring and exploratory boreholes and 35 production boreholes have been drilled."</p> <p>Question: Has the City successfully settled all issues with the Airports Company South Africa, now owning the Swartklip land that was previously owned by Denel and which therefore sits atop a vast aquifer of high quality water, to proceed with extracting high quality water at scale? If not, what is the exact nature of the problem that is beyond mutual resolution and for what length of time has an impasse been going on; if so, when was an agreement reached and what does that agreement portend for the water security of Cape Town?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	M Webster
10.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 58 we read: "The City's Investment Facilitation Unit administers the City's investment incentive programme. The programme saw 158 non-financial incentives taken up in the first three quarters of 2018/19, along with 19 financial incentives to the value of R21,78 million. The incentive scheme is currently confined to</p>	Jacoby K Le Keur

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>the Atlantis industrial area, but will be rolled out to five additional areas in 2019/20.</p> <p>Question: Whether Mitchells Plain, Khayelitsha or any other township will feature in the five additional areas in 2019/20 in respect of the incentives? If not, why not; if so, which of the township areas will feature and what will be the extent of the incentives to these areas?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
11.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 64 we read: "In the meantime, the City's Enterprise and Development Department continues to engage with business and deliver business-focused initiatives through a range of avenues. As part of the Economic Growth Strategy revision process, for instance, the City hosted a number of focus group sessions with prominent business owners in Cape Town to obtain their perspectives on how the City can best support economic growth. These engagements yielded some important insights, which were subsequently incorporated into the revised and renamed Inclusive Economic Growth Strategy. Project Camissa, the City's economic intelligence research initiative, also continued its work."</p> <p>Question: Was any such initiative undertaken in the City's economically depressed townships with entrepreneurs across South Africa to examine how substantial economic growth can be brought to these areas? If not, why not; if so, what was the nature and extent of these initiatives and what were the outcomes achieved?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	K Le Keur
12.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 104 we read: "When constructed 30 years ago, the 180 MW Steenbras pumped storage scheme was the first hydroelectric scheme of its kind in Africa. For the past three decades, it has been a key source of stable electricity supply to residents of Cape Town and, in recent years, has helped avoid or minimise the impact of load-shedding on Capetonians."</p> <p>Question:</p>	K Nassiep

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>While the hydroelectric scheme has no doubt supplemented electricity supply to the City and has shown the necessity of expanding renewable electricity supply, will the City be taking advantage of President Ramaphosa's announcement during SONA of setting up one megawatt solar plants which will now no longer need licensing and taking advantage of the slack he has cut in other respect in the area of electricity generation? If not, why not; if so what will the City be doing going forward to become even more self-reliant?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
13.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 107 we read: "Witsand Efforts to maintain the sand layer over the Witsand landfill site continue. These include wind netting installation and repositioning. An investigation into the feasibility of re-vegetating the dune system is planned, and the results will inform the long-term approach."</p> <p>Question: Have the plans progressed to the point of immediate and extensive implementation? If not why not; if so, what are the details?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	M Webster
14.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 133 we read: "To this end, the City needs to enter into partnerships with multiple public stakeholders and entities, such as government departments (national and provincial) and state-owned enterprises, especially where these often have large landholdings across town, as well as development mandates of their own (such as PRASA, which has significant landholdings around various rail stations). In 2018/19, significant progress was made with developing such a partnership agreement with the national Department of Public Works, as a start. The strategic objective of Public Works is to establish "government precincts" in various of the City's earmarked catalytic precincts. Working with them will help the City achieve its own spatial transformation vision and objectives around dense, mixed-use and transit-oriented development in and around TAPs, as per the CLDP.</p> <p>Question: Has the City forged any partnerships of the above nature or is it close to finalising any partnerships at all? If not,</p>	O Asmal E Sass

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>why not; if so, what are the details?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
15.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 152 we read: "The City continues its coordination of the Cape Town Alcohol and Drug Action Committee (CTADAC) to holistically address the issue of substance abuse, while expanding interventions and enhancing effectiveness by applying lessons from previous years. In 2018/19, the committee not only kept the relevant provincial and national departments informed of the City's efforts, but also invited external stakeholders to share information and provide a fresh angle to some of the projects."</p> <p>Question: Has the City undertaken large scale skills training in seriously affected areas to deal with the real cause of addiction – joblessness and hopelessness? If not, why not; if so, what are the details?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	C Kesson
16.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Why is the annual report not available on the internet for easy access by citizens? Shouldn't this be the case? Any explanation?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	City Manager
17.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: In the 2018/19 report the Executive Mayor indicated the following: "At the same time, by spending R2,7 billion to position Cape Town as a globally competitive City that attracts investment, we are stimulating job growth. In the 2018/19 financial year, the City has already committed to spend R4,1 billion to upgrade informal settlements and provide water and waste services, and R1,8 billion on transport and urban development."</p> <p>Question: Was the full amount of R4,1 billion spent in 2019 / 20 to upgrade informal settlements and R1,8 billion on transport and urban development? If not, why not; if so, what are the details?</p>	K Jacoby N Gqiba P Mashoko

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020	
18.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: In the 2019/20 report it was indicated that strategic focus area one would be focussed on creating "an environment where investment can grow and jobs can be created."</p> <p>Question: Was the above strategy made centrally applicable to such apartheid era dormitory townships such as Khayelitsha, Mitchells Plain, Langa and so on? If not, why not; if so, what was done in these areas to supplement city allocated funds with funds available through the R400 billion infrastructure fund set up by President Ramaphosa to drive economic growth through infrastructure development in townships and other underdeveloped areas?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	K Le Keur K Jacoby
19.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 14 the Executive Mayor says: "Housing is a core part of this commitment, and our ongoing efforts and investment to create and maintain integrated, well-functioning human settlements are a key way in which we are working to strengthen Cape Town's communities and rectify the legacy of apartheid spatial design."</p> <p>Question: Considering that national legislation no longer speaks of housing but of "human settlement" in order to incorporate such key functions for humans as "protection, pooled economies, shared natural resources, and socioemotional connections" is the City expanding "human settlements" to the full extent of its meaning? If not, why not; if so, what features of human settlement characterise what the City is delivering?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	N Gqiba
20.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: The report on page 21 states: "The City is intent on building – in partnership with the private and public sector –</p>	N Gqiba

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>a more inclusive, integrated and vibrant city that addresses the legacies of apartheid, rectifies existing imbalances in the distribution of different types of residential development, and avoids the creation of new structural imbalances in the delivery of services.</p> <p>Question: Did the City succeed in its intention of building, "in partnership with the private and public sector – a more inclusive, integrated and vibrant city that addresses the legacies of apartheid, rectifies existing imbalances in the distribution of different types of residential development, and avoids the creation of new structural imbalances in the delivery of services?" If not, why not; if so, with whom did the City partner, particularly in the private sector, to genuinely address "the legacies of apartheid" and what noteworthy achievements were recorded in this regard?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
21.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 35 we read: On 13 December 2018, Council decided that the City would become a corporate member of the Institute of Directors in South Africa (IoDSA) to support the administration's continuous efforts to embed King IV good governance principles in its operations."</p> <p>Question: Has the City been actively participating as a corporate member of the Institute of Directors in South Africa (IoDSA) and has it embedded a wide range of King IV good governance principles in its operations?" If not, why not; if so, in which manner did it participate in (IoDSA) and which King IV principles has the City fully embedded in its operations?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	City Manager K Jacoby
22.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 42 we read: "The City's efforts to expedite land development in support of its transit-oriented development (TOD) strategy continue. The aim is to be more responsive to fast-changing urban dynamics and help establish integrated communities. Key to this approach is reviewing and simplifying the City of Cape Town Municipal Planning By-law, 2015 (MPBL), and entrenching the City's</p>	O Asmal

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>Development Application Management System (DAMS) to ensure that both these instruments enable economic growth.</p> <p>Question: Whether land development in support of the City's transit-oriented development (TOD) strategy took place in any meaningful or substantial manner? If not, why not; if so, what was the nature and extent of the land development to achieve the City's transit-oriented development (TOD) strategy?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	
23.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 44 we read: "The industries where Cape Town has the most pronounced job creation advantages are fishing, real estate, textiles and clothing, hotels and restaurants, and food and beverage manufacturing. These remain key focus areas for attracting investment."</p> <p>Question: Are the townships where poverty remains acutely severe being actively supported to participate in fishing, real estate development, textiles and clothing manufacture, hotels and restaurants development, and food and beverage manufacturing? If not, why not; if so, which townships have been supported, in what manner and to what extent?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	K Le Keur
24.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 49 we read: "National Treasury also developed a bespoke CIDMS implementation strategy for the City, the implementation of which is well underway by the Energy and Climate Change Directorate."</p> <p>Question: Has the City actively implemented the CIDMS implementation strategy and as a consequence thereof has the full amount of R23 billion been invested in infrastructure in the three years from 2018/19 to 2020/21 and furthermore what specific role has the Energy and Climate Change Directorate been playing / played in this regard? If not, why not; if so, what are the details?</p>	K Nassiep

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020	
25.		M Cassim	<p>QUESTION RAISED AT THE MEETING ON 25 FEBRUARY 2020</p> <p>Statement: On page 53 we read: "At the Cape Flats aquifer, three contracts have been awarded for groundwater development, including contracts for drilling and for linking infrastructure between boreholes, reservoirs, treatment facilities and reticulation injection points. Already, 62 monitoring and exploratory boreholes and 35 production boreholes have been drilled."</p> <p>Question: Has the City successfully settled all issues with the Airports Company South Africa, now owning the Swartklip land that was previously owned by Denel and which therefore sits atop a vast aquifer of high quality water, to proceed with extracting high quality water at scale? If not, what is the exact nature of the problem that is beyond mutual resolution and for what length of time has an impasse been going on; if so, when was an agreement reached and what does that agreement portend for the water security of Cape Town?</p> <p>MATTER RESOLVED AT MPAC MEETING ON 10 MARCH 2020</p>	M Webster
2018/19 INTEGRATED ANNUAL REPORT OF THE CCT				
QUESTIONS FROM SUBCOUNCIL 21				
1.		Ald. J vd Merwe	<p>QUESTION RAISED AT THE MEETING ON 10 MARCH 2020</p> <p>(a) What was the total amount of spending of Ward Allocations in the 24 Subcouncils, during the 2018/2019 financial year? (b) What was the amount spent in the 2017/2018 financial year?</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	P Mashoko
2.		Ald. J vd Merwe	<p>QUESTION RAISED AT THE MEETING ON 10 MARCH 2020</p> <p>What was the percentage (%) spent of Ward Allocations per Subcouncil for the 2018/2019 financial year?</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	P Mashoko
3.		Ald. J vd Merwe	QUESTION RAISED AT THE MEETING ON 10 MARCH 2020	P Mashoko

NO.	ANNUAL REPORT PAGE NO.	QUESTION RAISED BY COUNCILLOR	COMMENTS AND RESOLUTIONS	RESPONSIBLE OFFICIAL
			<p>What was the value of the Contracts that were awarded to Community Based Vendors during the 2018/2019 financial year?</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	
4.		Ald. J vd Merwe	<p>QUESTION RAISED AT THE MEETING ON 10 MARCH 2020</p> <p>(a) How many Informal Trading Plans were approved by Council during the past financial year?</p> <p>(b) In which Wards?</p> <p>(c) How many approved Informal Trading Plans are there in the City of Cape Town?</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	P Mashoko
5.		Ald. J vd Merwe	<p>QUESTION RAISED AT THE MEETING ON 10 MARCH 2020</p> <p>(a) How many Sport Facilities are there in the City of Cape Town?</p> <p>(b) How many of the above-mentioned facilities had valid leases with the COCT during the 2018/2019 financial year?</p> <p>(c) How many of the above-mentioned facilities had no valid lease with the COCT during the past financial year?</p> <p>(d) What was the total amount of money that the COCT received from leases with Sport Facilities during the past financial year?</p> <p>MATTER WILL BE FOLLOWED UP VIA THE SCHEDULE OF OUTSTANDING MATTERS</p>	K Le Keur

COMMENTS FROM THE PORTFOLIO COMMITTEES

PORTFOLIO COMMITTEE	COMMENTS
Community Services and Health	No questions/comments received
Corporate Services	No questions/comments received
Economic Opportunities and Asset Management	No questions/comments received
Energy and Climate Change	No questions/comments received
Finance	No questions/comments received
Human Settlements	No questions/comments received
Safety and Security	No questions/comments received
Spatial Planning and Environment	No questions/comments received
Transport	No questions/comments received
Urban Management	No questions/comments received
Water and Waste	No questions/comments received

COMMENTS FROM THE PUBLIC

The CCT's 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. Comment from the public are responded to directly by the relevant line department.

**REPORT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE (APAC)
TO THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)
ON THE CITY OF CAPE TOWN'S 2018/19 INTEGRATED ANNUAL REPORT**

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 chairperson of the APAC (or her nominee) will continue the practice of attending public MPAC engagements on the oversight report, when available and when requested by the MPAC Chair.

In terms of the committee's Terms of Reference, approved by Mayco on 27 November 2018, 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;
- 5.9.5: 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 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 a 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 2019 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.

The AGSA has rendered an unqualified opinion, but with findings, that states that the consolidated and separate financial statements present fairly, in all material respects, the financial position of the City of Cape Town and its subsidiaries as at 30 June 2019 and its consolidated and separate financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and the annual Division of Revenue Act.

The APAC concurs with the AGSA's opinion regarding the Annual Financial Statements, Legal and Regulatory requirements.

The APAC, probably along with Council, Mayco and management and employees of the City, are naturally disappointed with again not achieving a clean audit. The APAC will work with City structures to make sure there is a plan in place to regain the clean audit status as soon as reasonably possible and to minimise reputational damage to the City. If the City's ratings are downgraded there will need to be a major emphasis to reduce finance costs by reversing the downgrade in a short timeframe. We look forward to working closely with MPAC as we focus on our respective mandates.

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 2019 (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 2018/19 Annual Financial Statements and Integrated Annual Report, include:
 - Regulatory Compliance Reporting
 - Supply Chain Management (SCM): Supplier Non-Performance and transacting with Supplier with Director in the service of the state
 - Capital Budget: Underspending
 - Impaired Receivables
 - Annual Performance Report: Achievement of Planned Targets
 - Performance Statistics, Trends and Evidence for the City – Quarterly Corporate Scorecard reviews
 - Contract and project management
- 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)

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: 2 March 2020