

ANNEXURE C

MINUTES of a meeting of the **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)** held in the Council Chambers, 6th Floor, Standard Bank Building, Govan Mbeki Avenue, Port Elizabeth on **Thursday, 15 March 2012** at 10:00

PRESENT

Councillor H M Hendricks	In the Chair
Councillor R M J Gailey	
Councillor E A Goliath	
Councillor B A Manxoweni	
Councillor S Lucas	
Councillor K C Ncamiso	

CDM Officials

Municipal Manager	(Pillay D M)
Director: Finance and Corporate Services	(De Lange D J)
Director: Infrastructure Services & Planning	(Makedama B)
Director: Economic Development	(Kate P M)
Manager: Performance Management	(Terblanche G)
Manager: Corporate Services	(Stuurman Z)
Manager: Capacity Building & Support	(Daniels U Ms)
Legal Officer	(Antony F J Ms)
Senior Administrative Officer	(Nance L Ms)
Senior Administrative Officer	(Tuswa N Ms)

Auditor General's Office

Abrahams K (Ms)

Audit Committee

Zamisa S G

Apologies

Cr S A Mngwevu
Cr A L Nortje

Absent

Cr A Booysen

1. **OPENING**

The Chairperson welcomed all present and declared the meeting open.

- At this stage Cr Ncamiso enquired whether meetings of the Municipal Public Accounts Committee are not legally required to be open to members of the

public. The Acting Municipal Manager confirmed that for future meetings a notice inviting members of the public to attend would be published.

NOTED

2. **APOLOGIES**

As recorded above.

3. **STATEMENTS OR COMMUNICATIONS BY THE CHAIRPERSON**

The Chairperson delivered his opening speech.

4. **CONFIRMATION OF MINUTES**

4.1 **Minutes of the meeting held on 23 February 2012**

4.1.1 **Item 4.2 : Review of the CDM and KDA Annual reports for the 2010/2011 Financial Year**

The Chairperson advised that point 4 on page 6 should read as follows:

Approved organogram and outstanding vacancies including report on risks of filling positions.

That the minutes of the meeting held on 23 February 2012, having been circulated were taken as read, confirmed as amended and signed.

NOTED

4.2 **Matters Arising : Minutes of the meeting held on 23 February 2012**

4.2.1 **Item 4.1 : Terms of Reference / Rules and Orders**

Responding to an enquiry from the Chairperson, the Municipal Manager reported that Terms of Reference for MPAC were considered by the Mayoral Committee at its meeting the previous day and have been recommended to Council for approval.

The Chairperson requested that the Terms of Reference be circulated to the members of MPAC immediately for their input.

Cr Ncamiso enquired progress in respect of the work plan for the MPAC. The Municipal Manager advised that the work plan has not been done for now as the period was specifically for the Annual Reports.

NOTED

4.2.2 **Item 4.2 : Review of CDM and KDA Annual Reports for the 2010/2011 Financial Year**

Ms Abrahams reported that Mr Van Dyk of the Auditor General's Office had sent documents on the filling of vacancies to members of MPAC.

R E S O L V E D

That the documents provided by Mr Van Dyk on filling of vacancies be included in the next MPAC agenda.

5. REPORT BY THE MUNICIPAL MANAGER

5.1 Action Plan to Address All Issues raised by MPAC at meeting held on 23 February 2012

5.1.1 Item 2 : Work Plan for MPAC

Members requested that a schedule of MPAC meetings be submitted to Council for approval at its meeting on 28 March 2012.

5.1.2 Item 6 : Submit Approved Organogram and outstanding vacancies including report on risks of filing positions

The Chairperson requested that the current organogram be circulated to members by the following week.

5.1.2 Item 8 : MPAC to give recommendations on slow expenditure – to look at all issues that are holding up service delivery

The Chairperson requested that it be noted that no MPAC member has yet responded.

5.1.3 Item 11 : Chairperson of the Audit Committee to be invited to next MPAC meeting

The Chairperson of the Audit Committee expressed appreciation for the invitation to attend this meeting and advised that his door is open to the MPAC whenever they need input from him. He further advised that the minutes of the Audit Committee and the Audit Charter would assist in the development of the MPAC work plan.

5.1.4 Item 18 : Table to MPAC the report re – disaster management transactions

The Acting Municipal Manager reported that a report on the forensic investigation was not in the agenda as the final report had not yet been received. He advised that it was expected by the end of the week.

5.2 Underspending on LED Budget

NOTED

5.3 Action Plan to Address Audit Findings 2010/2011

NOTED

5.4 Establishment of Local Municipality Ward Committees

The Manager: capacity Building and Support reported that subsequent to the report the following progress has been made:

Camdeboo	:	In all wards ward committees had been elected.
Kouga	:	No response from the municipality
Makana	:	No response from the municipality
SRV	:	In all wards ward committees had been elected
BCR	:	All six wards have been elected and training is currently taking place.

Responding to an enquiry from Cr Goliath regarding funding for training ward committees that have not been established, the Acting Municipal Manager advised that CDM enters into a SLA with the local municipality. The SLA dictates the terms on which the funds are allocated, which normally is only after the work has been completed.

5.5 **Supply Chain Management Policy** **NOTED**

5.6 **Irregular Expenditure** **NOTED**

5.7 **Disaster Management Procurement Transactions** **NOTED**

5.8 **Testing of Water Quality in Rivers and Dams**

The Chairperson expressed concern regarding that the local municipalities were not responding to the request by CDM to indicate the unreticulated water sources used for human consumption in their respective municipalities.

The Director: Infrastructure Services and Planning reported that the District has done everything in its power to address the matter and requested that ward councillors be engaged thereon. It was also suggested that the CDM MPAC engages with the LM's MPACs on the issue.

NOTED

5.9 **Reasons for Slow Expenditure on Libraries**

The Acting Municipal Manager reported that the slow expenditure by local municipalities on libraries has been discussed in the District Mayors Forum meeting.

5.10 **Investigation and advice on the proposed GFI KDA Development** **NOTED**

NOTED

5.11 **Oversight Report**

It was

R E S O L V E D

That it recommended to Council as follows:

- (a) that cognizance be taken of the Oversight Report on the 2010/2011 annual reports of the Cacadu District Municipality and Kouga Development Agency;
- (b) that the Council, having fully considered the annual reports referred to in (a) above, adopts the Oversight Report;
- (c) that the 2010/2011 Annual Report of the Cacadu District Municipality be adopted without reservation, but subject to the formulation of an action plan to correct the issues of concern raised by MPAC;
- (d) that the 2010/2011 Annual Report of the Kouga Development Agency be adopted with the following reservations:
 - No report by the Audit Committee
 - No management response to the issues raised in the AG report

and subject to the formulation of an action plan to correct the issues of concern raised by MPAC;

- (e) that the Oversight Report be made public in accordance with section 129(3) of the Municipal Finance Management Act (Act 56 of 2003);
- (f) that the Oversight report be submitted to the Provincial Legislature in accordance with section 132(2) of the Municipal Finance Management Act (Act 56 of 2003).

-THE MEETING TERMINATED AT 11:40-

DATE

CHAIRPERSON