

SPECIAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

of the

NEWCASTLE MUNICIPAL COUNCIL

MINUTES OF THE CONTINUATION SPECIAL MEETING OF
THE NEWCASTLE MUNICIPAL PUBLIC ACCOUNTS
COMMITTEE HELD IN THE EXCO ROOM, MUNICIPAL
BUILDING, SCOTT STREET, NEWCASTLE ON WEDNESDAY,
15 MARCH 2017 AT 09:00

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

CONTINUATION SPECIAL MEETING : 15 MARCH 2017

ATTENDANCE REGISTER

PRESENT

Councillor	M	E	Ngcobo	:	Chairperson
Councillor	B	S	Dlamini		
Councillor	N	P	Kunene		
Councillor	A	P	Meiring		
Councillor	S	G	Miya		
Councillor	S	J	Nhlapho		
Councillor	S	E	Shabangu		
Councillor	L	G	Thwala		
Councillor	M	W	Twala		
Councillor	T	M	Zulu		

ABSENT WITHOUT APOLOGY

Councillor	M	S	Mlangeni
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VACANCY

Ward 23

OFFICIALS IN ATTENDANCE

Municipal Manager	:	Mr	B	E	Mswane
Strategic Executive Director : Community Services	:	Mr	M		Sithole
Strategic Executive Director : DP&HS	:	Ms	N		Thusi
Acting Strategic Executive Director : Corporate Services	:	Ms	N		Vinkhumbo
Acting Strategic Executive Director : BTO	:	Mr	S		Nkosi
Director : Technical Services	:	Mr	V		Mboyani
Chief Audit Executive	:	Ms	S		Chenia
Manager : Monitoring and Evaluation	:	Mrs	N		Ticka-Ragunanan
Manager : Contracts	:	Mr	Q		Zwane
Student	:	Mr	N	M	Mthethwa

1 : OPENING

The Chairperson requested Cllr. N.P. Kunene to open the meeting with prayer, thereafter officially opened the meeting to continue with drafting of the Oversight Report.

2 : APPLICATIONS FOR LEAVE OF ABSENCE

NONE

3 : OVERSIGHT REPORT : 2015/2016 : (MM 6/1/1 - 2015/2016)

The Manager: Monitoring and Evaluation presented the status quo of the draft Oversight Report, thereafter the committee engaged.

(i) Financial matters

Assessment by the municipal entities, Accounting Officer of the entities performance vs performance objectives set in terms of service delivery agreements or other agreements between the entity and municipality.

RESOLVED

- (a) That the MEC Office clarify whether the Entity is still under administration;
- (b) That the appointment of the Accounting Officer and Chief Financial Officer be accelerated by the Shareholders;
- (c) That Council monitors the Entity through effective oversight mechanisms;
- (d) That Council considers section 78 processes to refer back the bulk services from uThukela Water (Pty) Ltd, to include an assessment of financial implications and its overall impact on the municipality;
- (e) That progress reports be submitted based on the Oversight Report 2014/2015.

MM

(ii) Recommendations of the Audit Committee in relation to the annual financial statements and the audit report of the municipality and its entity**RESOLVED**

That an action plan be developed to implement recommendations of Audit Committee and the said be monitored by Audit Committee and MPAC on a quarterly basis.

MM

(iii) Allocations received and made to the municipality

The Committee expressed their concerns with regards to the progress made with regards to the JBC Hall and Charlestown Halls and thereafter advised that the allocation of funds over the multi-year period be reviewed, thereafter, it was

RESOLVED

- (a) That a report on expenditure on allocations received as required in terms of section 123 MFMA retrospective to 2014/2015 financial year be submitted to MPAC
- (b) That MPAC conduct site visits to identify challenges to be addressed on specific projects with reference to (a) above;
- (c) That a prioritisation model be considered to ensure equitable allocation of funding against community needs for the new term of Council through the 4th generation IDP.

MM

(iv) Allocations received and made to the municipality**RESOLVED**

- (a) That a report indicating the status of all incomplete projects funded through grants be submitted to MPAC for review;
- (b) That if need be options be investigated to recover funds from contractors that have defaulted for all projects where contracts have been formulated.

MM

(v) Information in relation to the use of allocations received**RESOLVED**

- (a) That a report on the current status of all grant funded projects that were unspent as of June 2016 (if still unspent) be submitted to MPAC on a quarterly basis to be monitored;
- (b) That management ensure that all conditions of a grant are complied with and projects are implemented timeously to avoid roll-overs.

MM

(vi) **Information in relation to outstanding debtors and creditors of the municipality and entities**

RESOLVED

- (a) That a further report be submitted to MPAC analysing the current financial position of the municipality with reference to its financial viability;
- (b) That the revenue enhancement of the municipality be revised urgently;
- (c) That debt collection process be accredited through the engagement of councillors and the community;
- (d) That the credit control policy be workshopped with councillors;
- (e) That the cash management strategies and cost containment measures be implemented by management, be formalised to be approved by Council .

MM

4 : URGENT MATTERS

Request for reports

RESOLVED

- (a) That a progress report on the recommendations on the Oversight Report 2014/15 be submitted to MPAC

DATE OF NEXT MEETING

A special MPAC continuation be scheduled for 20 March 2017.

CLOSURE

There being no further business to discuss, the meeting concluded at 13:30.

CONFIRMED

DATE

CHAIRPERSON