

AUDIT COMMITTEE RESOLUTIONS FOR THE FINANCIAL YEAR 2021/22

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
9	01/2020-21/64 20 July 2020	2020/21 Internal Audit Plan (Functionality of Internal Audit under Lockdown Regulations)	<p>The Audit Committee Chairperson deferred the discussion on the functionality of Internal Audit under Lockdown Regulations to the next Audit Committee meeting.</p> <p>However, any developments / progress on state of readiness to ensure full functionality of the Internal Audit unit, before the next Audit Committee meeting, should immediately be reported to the Audit Committee.</p>	City Manager	28/08/20	Partially resolved	<p>Approval for internal auditors to work remotely from home in order to manage the risk of Covid-19 infections was granted by Management.</p> <p>The only matter that is still outstanding to enhance the effective functioning of Internal Auditors from home (remotely) is the provision of cell phone and data allowances.</p> <p>Feedback was provided by the CFO on 27 October 2021. The current Vodacom contract will be utilised to ensure</p>	<p>28 August 2020 23 October 2020 9 February 2021 25 June 2021 13 August 2021 27 October 2021</p> <p>(6)</p>

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
							<p>3g are made available to Internal Audit by end of November 2021.</p> <p>Application forms to part take in the 3G scheme had been provided to Internal Audit staff in January 2022 and resubmitted to IT on 28 January 2022 for processing.</p>	
13	02/2020-21/65 28 August 2020	List of matters arising/resolutions	(vi) Recommendation will be made to Council for the strengthening / creation of additional capacity for the Audit Committee	City Manager		Partially resolved	<p>Matter not discussed at the Committee meeting dated 27 October 2021.</p> <p>The Acting City Manager indicated to the Committee on 13 August 2021 that this matter will be follow-up with the Speaker of Council and feedback will be provided to the Audit Committee.</p>	<p>23 October 2020 9 February 2021 25 June 2021 13 August 2021 27 October 2021</p> <p>(5)</p>
24	03-2020/21/66 20 November 2020	Performance Assessments	Me Kaota (Acting Audit Committee Chairperson) noted with concern that no performance	City Manager	Next Audit Committee meeting	Not resolved	Feedback was provided by the Acting DED: Operations at the	<p>9 February 2021 25 June 2021 13 August 2021</p>

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
	(Continuation of meeting dated October 2020)		evaluations are been performed for the City Manager and HODs and therefore urged management to ensure performance evaluations are performed to ensure compliance with legislations and as a learning curve for individual performance evaluations.				Committee's meeting dated 27 October 2021 however, the matter will be resolved once proof of performance assessments of the City Manager and all Section 56 Managers (HODs) is submitted to the Audit Committee.	27 October 2021 (4)
26	04-2020/21/67 09 February 2021	ICT Status Report	The Acting Audit Committee Chairperson noted with concern that there is slow progress in resolving findings raised by Auditor General and therefore urged management to ensure ICT policies gets approved urgently by Council for implementation	HOD: Corporate Services	Next Audit Committee meeting	Resolved	Policies had been approved. ICT remain a standing item on the AC agenda.	25 June 2021 13 August 2021 27 October 2021 (3)
34	07-2020/21/70 25 June 2021	Annual Report 2019/20 and Audit Report 2019/20	The Committee to receive a report on the investigations of UIFW from the Intervention Team (Administrator).	Administrator, Acting City Manager and CFO	Next Audit Committee meeting	Not resolved	Feedback was provided by the CFO on 27 October 2021. Work is currently being done by the Intervention Team on the investigation of UIFW expenditures. A report is expected by Quarter 2 of this financial year	13 August 2021 27 October 2021 (2)

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
							(2021/22) which will be availed to the Committee. A 3-year plan have been developed on how the Municipality is going to reduce UIFW expenditure with clear time frames. This plan will be shared with the Committee at its next meeting.	
35	07-2020/21/70 25 June 2021	ICT Status Report	Furthermore, the tracking of the filling of the vacant position of the CTO should be reported on until such time that the position has been filled	City Manager / HOD: Corporate Services	Next Audit Committee meeting	Partially resolved	The CTO position was advertised on the 9 September 2021. However, the CTO positions is still vacant. Therefore, this matter remains not resolved.	13 August 2021 27 October 2021 (2)
Audit Committee Meetings from 1 July 2021								
1	01/2021-22/71 13 August 2021	List of matters arising/resolutions 2020/21	The Committee resolved that the Municipality should urgently expedite the process of finalising the revised definitive agreement between Mangaung and Centlec for adoption by Council.	HOD: Corporate Services	Next Audit Committee Meeting	Resolved	Council resolved on 31 August 2021 that the definitive agreement between MMM and Centlec, that the old Sale of Business Agreement continue to be in effect for the 2020/21 financial year.	

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
2	01/2021-22/71 13 August 2021	List of matters arising/resolutions 2020/21 - Resolution no. 25 (b) Settlement report between the Municipality and Bloemwater on arrears owed to Bloemwater	The Committee resolved that the Municipality should install a bulk water meter to measure water supplied by BloemWater, which will assist the Municipality to verify whether billing by BloemWater is accurate or not.	CFO / HOD: Engineering Services	Next Audit Committee Meeting	Not resolved	During the AC Meeting of 27 October 2021, the CFO indicated that a request was made to the Engineering Service directorate for the installation of the bulk water meters to ensure water losses are measured. However, the CFO requested this matter to be deferred to the next Audit Committee meeting as the HOD Engineering Services is not currently in the meeting to respond on this matter.	13 August 2021 (1)
3	01/2021-22/71 13 August 2021	ICT Status Report	The Committee noted the ICT Status Report.			Resolved		
4	01/2021-22/71 13 August 2021	Risk Management Report	The Committee noted the 2020/21 Quarter 4 Risk Management Report			Resolved		
5.1	01/2021-22/71 13 August 2021	Audit Action Plan	The Committee noted the 2019/20 Audit Action Plan.			Resolved		
5.2	01/2021-22/71 13 August 2021	Audit Action Plan	The Committee resolved that the following matter be included in the Audit Action Plan - Losses on water;	CFO / HOD: Engineering Services	Next Audit Committee meeting	Resolved	The item is included in the AAP of 2019/20 and the matter has been reported on.	

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
5.3	01/2021-22/71 13 August 2021	Audit Action Plan	The Committee resolved that the following matter be included in the Audit Action Plan - The agreement between Centlec and the Municipality	CFO	Next Audit Committee meeting	Resolved	The item is included in the 2020/21 AAP	27 October 2021 (1)
6.1	01/2021-22/71 13 August 2021	Financial Reports (2020/21 4th quarter MFMA Section 52 Report)	The Committee noted the 2020/21 4th quarter MFMA Section 52 Report.			Resolved		
6.2	01/2021-22/71 13 August 2021	Financial Reports (2020/21 4th quarter MFMA Section 52 Report)	The Committee resolved that if the matter of the GM: SCM is not resolved a letter should be prepared through the Committee's secretariat, to both the Executive Mayor and the Acting City Manager, indicating the Committee's dissatisfaction with regards to; - The SCM function not been under the control of the CFO as per the requirements of the MFMA. - The former GM: SCM not working.	City Manager	Next Audit Committee meeting	Resolved	Shortly after the Audit Committee meeting the GM: SCM under discussion was reinstated at SCM (i.e., 18 August 2021)	
7	01/2021-22/71 13 August 2021	2020/21 4 th Quarter SCM Quarterly Report	Report submitted but not discussed			Matter pending	The CFO indicated to the Committee that he would like to be put it on record	

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
							that he has lost control over the SCM unit. An official was placed in the GM: SCM position to act and there have been many issues. The CFO further indicated that he has shared these issues and his concerns with the Acting City Manager and therefore, he cannot speak to the 2020/21 4th Quarter SCM Quarterly Report as he does not know what is going on at the SCM unit.	
8	01/2021-22/71 13 August 2021	2020/21 AFS and Annual Report compilation processes	The Committee noted the 2020/21 AFS compilation process.			Resolved		
9	01/2021-22/71 13 August 2021	2020/21 4 th quarter SDBIP Progress Report	The Committee noted the 2020/21 4 th quarter SDBIP Progress Report.			Resolved		
10.1	01/2021-22/71 13 August 2021	2020/21 4 th Quarter Internal Audit Progress Report	The Committee noted the 2020/21 4 th quarter Internal Audit Progress Report			Resolved		

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
10.2	01/2021-22/71 13 August 2021	2020/21 4 th Quarter Internal Audit Progress Report	The Committee resolved that outstanding management comments on 2020/21 Internal Audit reports should be submitted to finalise draft reports.	Acting City Manager	Next Audit Committee Meeting	Partially Resolved	Reminder letters were issued to HODs to submit outstanding responses to Internal Audit reports. Some outstanding management comments have been received, some responses received are currently being discussed with management to ensure that they address internal audit findings raised.	(1) 27 October 2021
11	01/2021-22/71 13 August 2021	2021/22 Audit Committee Schedule of Meetings	The Committee approved the 2021/22 Committee Schedule of Meetings			Resolved		
12	01/2021-22/71 13 August 2021	2021 Internal Audit Charter	The Committee approved the 2021 Internal Audit Charter.			Resolved		
13	01/2021-22/71 13 August 2021	2021 Audit Committee Charter	The Committee approved the 2021 Audit Committee Charter.			Resolved		
14	01/2021-22/71 13 August 2021	2021/22 Internal Audit Plan	The Committee approved the 2021/22 Internal Audit Plan.			Resolved		
15.1	02/2021-22/72 30 August 2021	Review of the 2020/21 Annual Financial	The Audit Committee noted the circulated draft AFS and			Resolved	AFS was submitted to AGSA on 31 August	

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
		Statements by the Audit Committee	accepted the assurance provided by the CFO that the AFS would be submitted to the Auditor-General on time.				2021.	
15.2	02/2021-22/72 30 August 2021	Report of Internal Audit on the review of the 2020/21 Annual Financial Statements	The Audit Committee noted that Internal Audit had performed reviews on the 2020/21 Annual Financial Statements and that the report was shared with management for their attention, and management attended to matters raised in these reports in preparation for the final documents to be submitted to the Auditor-General by close of day, 31 August 2021.			Resolved		
16.1	02/2021-22/72 30 August 2021	Review of the draft 2020/21 Annual Performance Report by the Audit Committee	The Audit Committee noted the circulated draft Annual Performance Report.			Resolved		
16.2	02/2021-22/72 30 August 2021	Report of Internal Audit on the review of the draft 2020/21 Annual Performance Report	The Audit Committee noted that Internal Audit had performed reviews on the 2020/21 Annual Performance Report and that the report was shared with management for their attention, and management attended to matters raised in these reports in			Resolved		

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
			preparation for the final documents to be submitted to the Auditor-General by close of day, 31 August 2021.					
17	02/2021-22/72 30 August 2021	Report of Internal Audit on the review of the draft 2020/21 Annual Performance Report	<u>The Audit Committee resolved</u> that Management should investigate/benchmark the appropriate size and composition of the IDP and Performance Management Unit to ensure that from planning to reporting, sufficient staff is available to drive and monitor the processes.	City Manager	Next Audit Committee meeting.	Partially resolved	<p>Feedback was provided by the Acting DED: Operations and GM: IDP and Organisational Performance.</p> <p>Benching marking exercise was done virtually with the Nelson Mandela Bay Metro Municipality and physically at the eThekweni Metro Municipality.</p> <p>A report is currently been finalised which will be shared with the Acting City Manager and EMT. The final report will also be submitted to the Committee for deliberation at its next meeting.</p>	

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
18	03/2021-22/73 22 September 2021	Auditor-General . Engagement Letter	The Committee noted the Auditor-General . Engagement Letter			Resolved		
19	03/2021-22/73 22 September 2021	Auditor-General . Audit Strategy	The Committee noted the Auditor-General . Audit Strategy			Resolved		
20	04/2021-22/74 27 October 2021	Briefing of the Committee by the City Manager/ CAE on matters of importance to the Committee	Acting City Manager to keep the Committee abreast on progress on the Metro Police matter.	Acting City Manager	Next Audit Committee Meeting	Ongoing		
21	04/2021-22/74 27 October 2021	List of matters arising/resolutions	The Committee resolved that dates for performance assessments to be conducted should be proposed to the Acting City Manager and HODs and these dates should be communicated to the Committee in its next meeting (2020/21 Annual Performance Assessments and 2021/22 Quarterly Performance Assessments for CM and HODs)	Acting City Manager / Acting DED: Operations	Next Audit Committee Meeting	Not resolved		(0)
22	04/2021-22/74 27 October 2021	List of matters arising/resolutions	The Committee resolved that the letter from National Treasury regarding the UIFW expenditure should be shared with the Committee, including the responses by the Municipality	Acting City Manager / CFO	Next Audit Committee Meeting	Not resolved		(0)

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
			(i.e., the UIFW Reduction Plan amongst others).					
23	04/2021-22/74 27 October 2021	ICT Status Report	The Committee noted the presented ICT Status Report	HOD: Corporate Services		Ongoing	Standing agenda item.	
24	04/2021-22/74 27 October 2021	Audit Action Plan (Management and Internal Audit assessment)	The Committee resolved to accept the withdrawal of the Audit Action Plan by the CFO.	CFO		Ongoing	Standing agenda item.	
25	04/2021-22/74 27 October 2021	2021/22 1st Quarter MFMA Section 52 Report (financial)	The Committee noted 2021/22 1st Quarter MFMA Section 52 Report (financial).			Resolved		
26	04/2021-22/74 27 October 2021	2021/22 1st Quarter SCM Quarterly Report	The Committee noted the 2021/22 1st Quarter SCM Quarterly Report.			Resolved		
27	04/2021-22/74 27 October 2021	2021/22 1st Quarter SDBIP Progress Report	The Committee noted the 2021/22 1st Quarter SDBIP Progress Report.			Resolved		
28.1	04/2021-22/74 27 October 2021	2021/22 1st Quarter Internal Audit Progress Report	The Committee noted the 2021/22 1st Quarter Internal Audit Progress Report.			Resolved		
28.2	04/2021-22/74 27 October 2021	2021/22 1st Quarter Internal Audit Progress Report	The Committee resolved on 27 October 2021 that Internal Audit should present findings and management comments which does not address the root causes for findings raised to	Acting City Manager	Next Audit Committee Meeting	Not resolved	Due to EMT Meetings not regularly sitting, reminders were sent to individual HODs to submit outstanding management responses	(0)

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
			management at its next EMT meeting for deliberations. Progress on resolving this matter should be reported to the Committee at its next meeting.				to internal audit reports.	
29	04/2021-22/74 27 October 2021	Council resolution on Audit Committee Reports submitted to Council	<p>The Committee resolved that the Acting City Manager should urgently develop a plan / report on how the following Council resolutions on Acting Appointments and Allowances and Temporary Appointments will be implemented and feedback should be provided to the Committee at its next meeting;</p> <p><u>Council resolution;</u></p> <ul style="list-style-type: none"> - That all appointments that has continued for a period of more than six months should be terminated with immediate effect - That where there are compelling reasons to consider acting appointments in a position, written motivation should be submitted to the Executive Mayor by the City Manager for concurrences 	Acting City Manager	Next Audit Committee Meeting	Not resolved	Resolution communicated to Acting CM	(0)

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
			<ul style="list-style-type: none"> - That all cases mentioned under 3.2 to 3.5 of the report, should be subjected to a forensic investigation and outcome of this investigation be submitted to the Audit Committee for further handling processing prior to submitting a final report to Council in this regard - That all temporary appointments on extension should be terminated immediately - That critical positions (i.e., those the Municipality cannot function without and if not filled, service delivery will be negatively hampered) should be filled with competent, experienced and qualified people including the position of GM: Human Resources after the following due processes of appointment. - That the position of General Manager Strategic Support in the HOD's Offices and the Municipal Managers' Office should be abolished and replaced with Office Managers at a Managers' level. It is the view of the 					

Res No.	Meeting No.	Matter/Item Discussed	Resolution	Responsible person	Due date	Status	Progress Report	Number of times served before Audit Committee
			Committee that the Municipality can function effectively and efficiently without these positions as it has been the case since the inception of the Metro and prior. - The position of Senior Secretaries be phased out with immediate effect and remain with secretary positions as the Municipality can function effectively and efficiently without these Senior Secretary positions. Where there are permanent appointments on these positions, suitable placement of these officials should be affected considering their qualifications, experience and expertise.					
30	05/2021-22/75 26 November 2021	2020-21 Auditor General Draft Management and Audit Reports for Margaung Metro Municipality	The Committee noted the 2020-21 Auditor General Draft Management and Audit Reports for Margaung Metro Municipality			Resolved		