MPAC MEETING MINUTES

MINUTES OF AN MPAC MEETING OF SWELLENDAM MUNICIPALITY HELD ON TUESDAY, 24 MARCH 2026 AT 10:00 IN THE COUNCIL CHAMBERS, RHENIUS STREET, SWELLENDAM.

PLEASE RETAIN THIS DOCUMENT FOR RECORD PURPOSES AS IT WILL NOT BE CIRCULATED AGAIN.

Yours sincerely.

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M.T.A. SWART **DATE**
CHAIRPERSON

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MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) MEETING OF SWELLENDAM MUNICIPALITY HELD ON TUESDAY, 24 MARCH 2026 IN THE COUNCIL CHAMBERS, RHENIUS STREET, SWELLENDAM.

PRESENT:	**Councillor**	M.T.A. Swart	(Chairperson)
	Councillor	A. Bokwana	(Deputy Chairperson)

IN ATTENDANCE:	A. Vorster	(Municipal Manager)
	E. Wassermann	(Director: Financial Services)
	L. Mralasi	(Acting Director: Community Services)
	W. Treurnicht	(Acting Director: Infrastructure and Planning Services)
	A. Petersen	(Senior: Internal Auditor)
	J. Etzebeth	(Manager: Administrative Support Services)

SECRETARIAT:

K. Opperman
A. Esteen

RECORDING OFFICER:

K. Opperman

1. OPENING AND WELCOMING

At 10:00 the Chairperson, Councillor M.T.A. Swart welcomed everybody to the Special MPAC meeting and declared the meeting duly constituted with a quorum present.

Councillor A. Bokwana rendered an opening prayer.

2. APPLICATION FOR LEAVE OF ABSENCE

that leave of absence from the Municipal Public Account (MPAC) meeting be granted to Councillor D. Julius.

3. CONFIRMATION OF MINUTES

Proposer: Councillor A. Bokwana
Seconder: Councillor M.T.A. Swart

RESOLVED:

3.1 that the minutes of a Municipal Public Accounts Committee (MPAC) meeting, held on Tuesday, 09 December 2025, copies of which were sent to all Councillors within a reasonable time before the meeting, be taken as read and be hereby confirmed.

3.2 that the minutes of a Special Municipal Public Accounts Committee (MPAC) meeting, held on Tuesday, 20 January 2026, copies of which were sent to all members within a reasonable time before the meeting, be taken as read and be hereby confirmed.

4 MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING

None

5. SPEECHES AND SUBMISSIONS

None

6. MATTERS FOR CONSIDERATION

6.1 Items tabled by officials are reflected as follows:

6.1.1

Item number MPAC 2. 24.03.2026

ADDENDUM TO NEXUS FORENSIC SERVICES FINAL REPORT

Report of the Senior Internal Auditor: Mr. A Petersen

Department	Municipal Manager
Section	Internal Audit
File number	4/7/3

PURPOSE OF THE REPORT

To inform the Municipal Public Accounts Committee (MPAC) of an error identified in the Nexus Forensic Services Final Report and to note the subsequent issuance of an Addendum **(Annexure A.1)** correcting the matter.

FACTS AND BACKGROUND

Following scrutiny of the Nexus Forensic Services Final Report by the Senior Management Team, an error was identified in Recommendation 5.8.2 of the report. The recommendation incorrectly stated that Elements 2030 was no longer a contractor of the Municipality and, as a result, recommended that no action be taken regarding the termination of the contract.

It was noted that Elements 2030 remains an active service provider to the Municipality. In addition, the individual referenced in the recommendation, Mr. F. Ryke, no longer serves as the employee agent for the Municipality in relation to this contract.

DISCUSSION

Internal Audit engaged with Nexus Forensic Services on 10 December 2025 via email correspondence to seek clarity on the basis of the recommendation. Following this engagement, Nexus Forensic Services issued an Addendum to the Final Report on 12 December 2025, correcting the original statement.

The Addendum forms part of the official record of the Nexus Forensic Services Final Report.

LEGAL IMPLICATIONS

The inclusion of incorrect information in the Nexus Forensic Services Final Report may expose the Municipality to potential legal and contractual risks, including the risk of unfair or unlawful administrative action should decisions be taken based on the recommendation provided by Nexus Forensic Services.

FINANCIAL IMPLICATIONS

The reliance on incorrect information contained in the original forensic report could have resulted in inappropriate or unjustified decisions, potentially leading to financial losses and legal disputes for the Municipality.

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Acting Director: Community Services

None

Director: Financial Services

None

Acting Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED TO MPAC

1. that the MPAC notes the Addendum issued by Nexus Forensic Services to the Final Report and takes cognisance of the corrected recommendation contained therein.

DISCUSSION

The Senior Internal Auditor, Mr A. Petersen shared that Nexus made an administrative error in its report where they stated that Element's contract was terminated, when in actuality, it was not the case, however, it was an official working for Element, Jacque Ryke, whose involvement with the company was cancelled and that Element continued its contract with the municipality. He said that the amendment was communicated with Nexus and the addendum was therefore made to the final Nexus Report which was circulated to Council and Senior Management.

Councillor M.T.A. Swart proposed that the Item with the addendum be tabled to Council for cognisance.

RECOMMENDED TO COUNCIL

1. that Council notes the Addendum issued by Nexus Forensic Services to the Final Report and takes cognisance of the corrected recommendation contained therein.

6.1.2

Item number MPAC 3 24.03.2026

2025/26 INTERNAL AUDIT REPORTS FOR THE PERIOD 01 OCTOBER 2025 – 31 DECEMBER 2025

Report of the Senior Internal Auditor: Mr. A Petersen

Department	Municipal Manager
Section	Internal Audit
Proposed File number	3/3/3/16

PURPOSE OF THE REPORT

The purpose of the report is to submit the 2025/26 Internal Audit Reports for the period 01 October 2025 – 31 December 2025 to the MPAC for cognisance and comments.

FACTS AND BACKGROUND

None

DISCUSSION

The 2025/26 internal audit reports for the period 01 October 2025 – 31 December 2025 to MPAC.

Annexures A.2 to Annexure A.8:

1. 2025/26 Internal Audit Reports for the period 01 October 2025 – 31 December 2025. The following reports was submitted to the Audit and Performance Audit Committee during the 2nd quarter scheduled meeting:

    - 2025/26 1st Quarter Performance Management Review
    - Asset and Employee Verification Review
    - 2025/26 2nd Quarter Follow-up Report
    - 2025/26 2nd Chief Audit Executive Progress Report
    - 2nd Quarter Audit and Performance Audit Committee Chairperson Report
    - Adhoc Request: Leave Management and Medical Disability Processes
    - Adhoc Request: Library Cash Handling & Revenue Collection Processes

LEGAL IMPLICATIONS

Section 166 of the Municipal Finance Management Act No. 56 of 2003, requires every Municipality to establish and maintain an Audit Committee, as an independent appraisal function.

In terms of National Treasury's Circular 65 of 2003, the committee must quarterly report to the Council on the performance of their functions and duties and the functions of the internal audit department.

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Acting Director: Community Services

None

Director: Financial Services

None

Acting Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED TO MPAC

1. that MPAC take cognisance of the 2025/26 Internal Audit Reports for the period 01 October 2025 – 31 December 2025.

DISCUSSION

The Senior Internal Auditor Mr A. Petersen gave an overview on the progress on the Internal Audit reports for the period 1 October 2025 to 31 December 2025.

The Municipal Manager, Mrs A. Vorster shared that wherever the municipality lacked controlling measures within the institution, the Internal Audit division would identify it and provide mitigating measures to improve it, which was why the follow-up audits conducted by the Internal Audit division were of great importance to the municipality in terms of management procedures.

In terms of the ad hoc request regarding cash handling and revenue collection processes at the library, Mr Petersen said that it was found that money received from the public for printing purposes was not handled in terms of the correct financial principles but was used for small events held in the library as needed without following correct processes to do so. He added that the matter was addressed.

He added that another finding was made in terms of a contract with a service provider at the Thusong Centre who moved to another building of the municipality after the fire in 2023 but ceased to pay the agreed amount. He said the matter was addressed and the overdue amount was paid to the municipality.

RESOLVED **Item MPAC3/24/03/2026**

1. that MPAC take cognisance of the 2025/26 Internal Audit Reports for the period 01 October 2025 – 31 December 2025.

6.1.3

Item number MPAC 4.	24.03.2026
2025/2026 RISK REGISTERS	

Office of the Municipal Manager

Department	Office of the Municipal Manager
Section	Risk Management
File number	3/3/3/16

PURPOSE OF REPORT

The purpose of the report is to submit the 2025/2026 Updated Risk Registers to MPAC for cognizance.

FACTS AND BACKGROUND

In order for the Municipal Manager to ensure that risk management is properly addressed, it is imperative to have a sound and updated Municipality's Risk Registers which record all the potential risks the municipality encounters. Additionally, on a quarterly basis, risk assessments are conducted with the various stakeholders to reassess the risks on the Strategic and Operational Risk Register.

DISCUSSION

RISK REGISTERS

The Risk Register is presented at the Fraud and Risk Management Committee on a quarterly basis. The Risk Registers were tabled to the Fraud and Risk Management Committee on 13 March 2026 and to the Audit and Performance Audit Committee (APAC) on 18 March 2026 for review and comments.

<u>Annexures are attached as Annexure A.9 to Annexure A.11:</u>

1. 2025-26 Updated Risk Registers

LEGAL IMPLICATIONS

In terms of section 62 of the Local Government: Municipal Finance Management Act 2003 [Act 56 of 2006] [MFMA] the Municipal Manager is responsible for managing the Municipality's financial administration. For this purpose, the Municipal Manager must take all reasonable steps to ensure, among others, that the Municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Acting Director: Community Services

None

Director: Financial Services

None

Acting Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

1. that cognizance be taken of the updated Risk Registers for the 2025/26 as at year-to-date.

DISCUSSION

The Municipal Manager shared that the Risk Register was being updated continually as new risks were identified in the institution and a fraud and risk management meeting to look at the assessment of risks and whether the possibility of risks have changed. She said that the risks in the risk register were the standard risks identified, however, a recent risk has been identified as a pre-Compliance Notice was received for the Suurbraak landfill site which would have a huge financial impact to become compliant, but the funding would be incorporated into the budget in time.

The Municipal Manager said that the Upgrading of the Informal Settlement Project was at risk of not being implemented due to the challenges faced by the municipality with 11 individuals who has illegally obtained land for the keeping of animals and the area was in direct line with the area where the 100 informal units needed to be moved. She said that the illegal farmers now demanded alternative land in Suurbraak for their livestock otherwise they would not move. She said that, if the camps could not be moved, the project would not be able to proceed, or the municipality would have to impound all their livestock.

The Municipal Manager also shared that the international conflict between Iran, Israel and America had an impact on the fuel prices that would have a huge on the budget as well.

She said that National Treasury required that all the banking details of Senior Officials including the banking details of service providers be submitted by end of March 2026.

The Chairperson, Councillor M.T.A. Swart proposed that an Item be prepared to be tabled to Council to present the challenges faced by the municipality in the Matjoks area with the Upgrading of the Informal Settlement project and to find a solution on the matter.

RECOMMENDED TO COUNCIL

1. that cognizance be taken of the updated Risk Registers for the 2025/26 as at year-to-date.

6.1.4

Item number MPAC 5. 24.03.2026

FEEDBACK ON MPAC AWARENESS TRAINING: 5 MARCH 2026

Prepared by	J. Etzebeth
Department	Municipal Manager
Section	Administrative Support
File Number	12/2/3/79

PURPOSE OF REPORT

To conclude a date for the follow-up training yet to be presented by SALGA following the awareness training session held on 5 March 2026 and to submit the course material as received from the Department of Local Government for future reference.

FACTS AND BACKGROUND

The MPAC awareness training jointly scheduled by the Western Cape Department of Local Government and SALGA for 5 March 2026 was not concluded as the SALGA representative could attend the workshop.

DISCUSSION

It was agreed with the co-presenter of the WC Department of Local Government responsible for MPAC monitoring, Ms N Henge that a follow – up session should be arranged for the SALGA portion of the workshop.

Taking into account Council's official 2026 Programme it is suggested that the training be held in the second week of April 2026 i.e. between 7 – 10 April 2026

Attached hereto as **Annexure A.12** and **Annexure A.13** respectively are the NT MPAC Guide and Toolkit as well as the Department of Cooperative Governance's MPAC calendar that served as course material.

LEGAL IMPLICATIONS

Municipal Finance Management Act, 56 of 2003

COMMENTS FROM DEPARTMENTS

Acting Director: Community Services

None

Director: Financial Services

None

Acting Director: Infrastructure and Planning Services

None

Municipal Manager

None

RECOMMENDED

1. that it be noted that the MPAC Awareness Training which was not concluded as scheduled for 5 March 2026 is due to be conducted by SALGA for which purpose the Committee select a suitable date between 7 and 10 April 2026.
2. that the SALGA representative responsible for the training as well as the Western Cape Department of Local Government be informed accordingly.

The Chairperson, Councillor M.T.A. Swart indicated that the administration may provide a date for the meeting in this regard.

RECOMMENDED TO COUNCIL

1. that it be noted that the MPAC Awareness Training which was not concluded as scheduled for 5 March 2026 is due to be conducted by SALGA for which purpose the Committee select a suitable date between 7 and 10 April 2026.
2. that the SALGA representative responsible for the training as well as the Western Cape Department of Local Government be informed accordingly.

7. GENERAL

None

8. CLOSURE

The meeting adjourned at 10:41.