SWELLENDAM MUNICIPALITY

AUDIT AND PERFORMANCE AUDIT COMMITTEE CHARTER

2026/27

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1. MANDATE OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

The Council hereby agrees to establish an Audit and Performance Audit Committee in the manner set out in this charter.

(a) The Audit and Performance Audit Committee is an independent advisory committee and performs the responsibilities assigned to it in terms of Section 166 of the MFMA, the Local Government: Municipal Systems Amendment Act, 2011, Act No. 3 of the Local Government: Municipal Structures Amendment Act, 2021 and the corporate governance responsibilities delegated to it under its charter by the Council.

(b) 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.

(c) In terms of the Municipal Planning and Performance Management Regulation No. 22605 of 2001 (24 August 2001) of 14 (2) (a), it states that a performance audit committee must be appointed and must at least include one person who has expertise in performance management.

(d) The purpose of Internal Auditing is intended to assist internal auditors and internal audit stakeholders in understanding and articulating the value of internal auditing.

(e) The Audit and Performance Audit Committee (APAC) plays an important role in providing oversight to the Swellendam Municipality`s governance, risk management and internal control processes. This oversight mechanism also serves to provide oversight to the Council, and therefore, the Audit and Performance Audit operates as a committee of the municipal Council. The Audit and Performance Audit Committee Charter is the written terms of reference approved by the Council, which outlines the mandate of the Audit and Performance Audit Committee.

(f) The Audit and Performance Audit Committee Charter is the written terms of reference approved by the Council, which outlines the mandate of the Audit and Performance Audit Committee. The Charter is the formal document defining the Internal Auditing Function`s mandate, authority and scope.

(g) The Audit and Performance Audit Committee is responsible for collaborating with Senior Management to establish and approve the Internal Audit Mandate, ensuring it aligns with the objectives of the municipality and is documented in the Internal Audit Charter.

(h) Following approval, the Audit and Performance Audit Committee Charter should be published on the municipal website to provide awareness to all stakeholders.

(i) The Audit and Performance Audit Committee should not perform any management functions or assume any management responsibilities.

2. OBJECTIVES

(a) The objective of this document is to assist the Audit and Performance Audit Committee in fulfilling its oversight responsibilities for the financial and performance reporting processes, the system of internal controls, the audit processes, and the municipality`s process for monitoring compliance with laws and regulations, ethics and the code of conduct. The Audit and Performance Audit Committee should have oversight on the issue of non-compliance with the conditions attached to infrastructure delivery and prescribed government and municipal plans, such as the IWMP, WSDP, and others.

(b) The objective of Internal Auditing is to strengthen governance, risk management and the control processes of Swellendam Municipality, ensuring the ability of the municipality to create, protect and sustain value, and the Audit and Performance Audit Committee is the independent oversight committee to ensure and advise Council accordingly.

(c) To meet these overall objectives, the Audit and Performance Audit Committee should concentrate its efforts on commenting and making recommendations on the following:

2.1. Finance

- The quality of accounting controls;
- The quality of financial reporting within the municipality is based on appropriate accounting disclosures, thereby enhancing the objectivity and credibility of financial reporting.

2.2. Management

- The promotion of transparency and accountability;
- The promotion of corporate governance;
- Improving the quality of administration and management controls.

2.3. Information Technology Governance

- IT governance;
- Access controls;
- Safeguarding of information in the municipality.

2.4. Risk Management

- The Audit and Performance Audit Committee is an independent committee, responsible for overseeing the municipality's control, governance, and risk management processes;
- This committee should evaluate whether management treats risk management as integral in the way it makes decisions and executes its duties;
- Provide an independent and objective view and opinion on the effectiveness of the municipality's risk management processes;
- Provide feedback to the Municipal Manager and Council on the adequacy of risk

management processes within the municipality.

2.5. Audit

The Audit and Performance Audit Committee will assist and provide advise on the Internal Audit Function in terms of the performance and responsibilities by:

- Overseeing that the Internal Audit Function is adequately resourced, capacitated, and operates effectively in compliance with Section 165(1) of the Municipal Finance Management Act (Act 56 of 2003);
- Reviewing the Internal Audit Plan and assessing any implications arising from internal control, internal audit processes, accounting procedures and practices, risk and risk management, performance management, loss control, and compliance with the MFMA, DORA, and other applicable legislation;
- Overseeing compliance with the Global Internal Audit Standards including the annual internal quality assurance assessments and independent external quality assurance assessments which are conducted at least every five years;
- Providing input and feedback on the financial statements and audit coverage proposed; by the external audit, and providing feedback on the audit services provided;
- Reviewing all external audit plans and reports, and monitoring management's implementation of audit recommendations;
- Providing advice to the Council on action taken on significant issues raised in external audit reports;
- Evaluating the results and extent of the Internal Audits undertaken;
- Reviewing the annual financial statements to ensure the quality and integrity of the document;
- Assisting with facilitating any significant disagreements between Internal Audit and management (if required);
- Reviewing the external auditors' proposed audit scope of work, approach, and audit fees for the year and the extent of coordination with the internal audit unit;
- Meeting separately with the external auditors to discuss any matters that the Audit and Performance Audit Committee believe should be discussed privately;
- Meeting separately with the Chief Audit Executive without the Senior Management present (if required);
- Review findings and recommendations made by the External Auditors and the responses of management;
- Enhancing a proper coordination process of audit efforts between Internal and External Auditors;
- Reviewing the allocation of hours and fees by the External Auditors in relation to audit risks and making recommendations in respect thereof to the Council;
- Reviewing the annual report and related regulatory filings before release and

considering the accuracy and completeness of the information;

- Reviewing with management and the external auditors the results of the external audit, including any significant issues identified;
- Providing input and feedback that the Internal Audit strategic and operational plans are based on the municipality's risk assessment;
- Advising and assisting the Council on the adequacy of Internal Audit resources needed to carry out auditing responsibilities, including the completion of the risk-based operational Internal Audit Plan; and
- Reviewing all Internal Audit reports as per the approved Risk-Based Internal Audit Plan and advising the Council on significant issues identified in the audit reports.

2.6. Compliance

The Audit and Performance Audit Committee will assist the management of the municipality in ensuring that the necessary mechanisms are in place for compliance with pertinent laws and regulations, and will conduct its affairs ethically. The specific steps involved in carrying out these responsibilities shall include:

- To review and have oversight over the compliance with the Council's policies and standing orders;
- To review and have oversight over compliance with relevant laws and ordinances;
- Obtain regular updates from management regarding compliance matters.

2.7. Annual Financial Statements

The Audit and Performance Audit Committee reviews the annual financial statements of the municipality to provide oversight on the financial position of the municipality, its efficiency, effectiveness, and overall compliance with the Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA), Division of Revenue Act (DORA) and other applicable legislation and regulations. The Audit and Performance Audit Committee should review the implementation of the audit action plan to monitor the progress of all material issues raised by the Auditor-General South Africa.

2.8. Annual Report

The Audit and Performance Audit Committee prepare a report annually, which will be incorporated into the annual report of the municipality covering:

- The number of meetings attended by the APAC members;
- Overview of the performance of the Internal Audit Function;
- The effectiveness of the governance and internal control processes;
- The adequacy, reliability and accuracy of financial information;
- The adequacy and effectiveness of the ICT processes adopted by the municipality;
- Overview of the performance management and compliance requirements of the municipality;

- Overview of the risk management processes of the municipality: and
- Accounting and auditing concerns were identified as a result of internal and external audits.

2.9. Performance Management

In addition, the Audit and Performance Audit Committee needs to have a sound understanding of the performance management processes adopted by the municipality. Its responsibilities shall include:

- Review compliance with the year-end reporting;
- Review the quarterly performance reports submitted by the Internal Audit Function;
- Review and comment on the municipality's annual reports within the stipulated time frame;
- The Audit and Performance Audit Committee assesses its performance and achievements against its charter on an annual basis;
- The findings of the self-assessment are presented by the Chairperson to the Municipal Manager and Council;
- Review and comment on compliance with statutory and contractual requirements and performance management best practices and standards;
- Review and comments on the alignment of the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and Performance Agreements (including performance agreements with Senior Management);
- Review and comment on the relevance of key performance indicators to ensure these are measurable and related to services performed by the municipality;
- Review and comment on the municipality's performance management system and make recommendations for its improvement; and
- Review and comment on the compliance with applicable legislation in terms of the Council's policies and standing orders.

3. COMPOSITION OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

(a) Section 166(4)(a) of the MFMA and Regulation 14(2)(a-c) of the Local Government Municipal Planning and Performance Management Regulations, 2001, stipulate that the Audit Committee must consist of at least three members.

(b) The Audit and Performance Audit Committee is a statutory Committee of the Council and, accordingly, its composition will be determined by the resolution of the Council. The recommended composition is listed below:

  (i) The Audit and Performance Audit Committee should consist of at least three persons with appropriate experience, who may not be employed by the Municipality;

  (ii) No Councillor may be a member of the Audit and Performance Audit Committee;

  (iii) Members should be appointed for a term of three years and may be reappointed based on performance and discretion of the Council;

(iv) When a member of the Audit and Performance Audit Committee cannot, for any reason, continue as a member, he and/or she shall be forthwith replaced. Such a replacement may either be for the balance of the period that the member being replaced would have served or a full three-year period. This shall be at the discretion of the Council.

(v) A quorum shall be two members, and the Chairperson shall have a casting vote in addition to his / her deliberative vote;

(vi) If the Chairperson is not available, the Audit and Performance Audit Committee members present at the meeting will elect an acting Chairperson for the meeting;

(vii) Where a member is appointed as Chairperson while serving a second term, that member should be appointed as a chairperson for the remaining period of the second term;

(viii) External members shall be remunerated for services rendered as by Council resolution;

(ix) The Audit and Performance Audit Committee may co-opt additional members as it deems fit;

(x) All appointed members should enter into a contract with the Municipality according to the approved terms of reference;

(xi) The Chief Audit Executive (CAE) must maintain records of the Audit and Performance Audit Committee members contracts and ensure recruitment is undertake; and

(xii) The Council must ensure that the Audit and Performance Audit Committee members do not serve on more than three local government audit committees.

4. SELECTION AND APPOINTMENT OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

In terms of Section 166(5) of the MFMA and Regulations 14(2)(a-d) of the Local Government: Municipal Planning and Performance Management Regulations, 2001, the members of the Audit and Performance Audit Committee must be appointed by the Council from among the existing appointed members of the Committee.

The Chief Audit Executive, in consultation with the Municipal Manager, will facilitate the selection process of the Audit and Performance Audit Committee Chairperson. The current and appointed serving Audit and Performance Audit Committee members will be considered first, and they may submit their nominations of a preferred candidate to the Municipal Council for consideration, inter alia:

(a) Shortlist Audit and Performance Audit Committee members who wish to be considered for the appointment of Chairperson.

(b) Consider consulting with relevant parties, including the Municipal Manager.

(c) Conduct interviews, and if required, conduct practical assessments on the shortlisted candidates.

(d) Make a final recommendation relating to the appointment of an Audit and Performance Audit Committee Chairperson to the Municipal Council for consideration and approval.

The MFMA Circular 65 provides guidance relating to the qualities and factors which should be considered, amongst other when appointing an Audit and Performance Audit Committee:

(a) Has good standing and ability to lead discussions.
(b) Creates a vision and provides direction at meetings.
(c) Builds municipal capabilities by guiding management based on expert knowledge and skills.
(d) Promotes and achieves quality outcomes at meetings.
(e) Has the ability to promptly and effectively advise the Municipal Council of any impending non-compliance with the legislative framework.
(f) Has the ability to encourage other members to participate in Audit and Performance Audit Committee meetings.
(g) Conducts meetings in a manner that demonstrates a desire to establish effective communication with all stakeholders.
(h) When appointing an Audit and Performance Audit Committee Chairperson, leading practices should be considered, including the Public Sector Audit Committee Forum guidance papers.
(i) In the event that an Audit and Performance Audit Committee has not yet been appointed by the Municipal Council, the Audit and Performance Audit Committee may appoint an interim Chairperson until the appointment process is finalised (i.e. until the Municipal Council appoints a new Audit and Performance Audit Committee Chairperson).

5. INDUCTION PROCESS OF AUDIT COMMITTEE MEMBERS

A formal process of induction must be facilitated by the Chief Audit Executive in consultation with the Municipal Manager. During the induction, the roles and responsibilities of the Audit and Performance Audit Committee members are clarified.

The induction process should entail sufficient briefings and information on their roles, mandate, responsibilities, accountabilities and management expectations.

6. SKILLS, EXPERIENCE AND COMPETENCY

The appointed members should collectively possess the following skills and experience, but are not limited to:

- Private and public sector experience;
- An understanding of service delivery priorities in a municipal environment;
- Good governance and/or financial management experience;
- An understanding of the role of Council and Councillors;
- An understanding of the operations of the municipality;

- Familiarity with risk management practices;
- An understanding of internal controls;
- An understanding of risk management;
- An understanding of major accounting practices and public sector reporting requirements;
- An understanding of public sector reforms;
- Familiarity with legislation applicable to municipalities;
- An understanding of the roles and responsibilities of internal and external auditors;
- An understanding of the treatment of allegations and investigations; and
- An understanding of the performance management system.

The Audit and Performance Audit Committee members must engage with continuous professional development to ensure that their skills and knowledge remain relevant and aligned with evolving Internal Auditing practises as well as amendments to regulations.

7. INDEPENDENCE

The Audit and Performance Audit Committee must be independent and safeguarded from undue influence in exercising its responsibilities in an objective manner. To enhance the functioning of the Audit and Performance Audit Committee, the following is required:

- The Audit and Performance Audit Committee Chairperson and members should be independent of the municipality;
- The Audit and Performance Audit Committee is directly accountable to Council in discharging its responsibilities;
- The Audit and Performance Audit Committee Chairperson and members should not be biased but exhibit an independent mental attitude during deliberations;
- All Audit and Performance Audit Committee members should declare any actual or perceived private and business conflicts of interest in every meeting and ensure their objectivity remains uncompromised; All members should not carry out any business with the municipality;
- The Audit and Performance Audit Committee must ensure that the Chief Audit Executive`s functional reporting line is direct to the committee, maintaining the Internal Audit Function`s independence and objectivity;
- Engagement with senior management and the Chief Audit Executive to establish appropriate safeguards if the Chief Audit Executive's roles and responsibilities impair or appear to impair the Internal Audit Function`s independence;
- Engagement with senior management to ensure that the Internal Audit Function is free from interferences when determining its scope, performing internal audit engagements, and communicating results; and
- The Audit and Performance Audit Committee must uphold the principles of integrity, objectivity, confidentiality and competency as outlined in the Global Internal Audit Standards.

8. TERMS OF OFFICE

The Chairperson should be appointed for three years to ensure that he/she contributes most effectively and provide stability to the Audit and Performance Audit Committee.

Other Audit and Performance Audit Committee members should serve at least a minimum of three years, with an option to renew for another three years, based on the performance and discretion of the Council. Recruitment of members should be staggered to prevent a loss of knowledge and skills in the committee.

Rotation of members is encouraged as it enhances the independence of the Audit and Performance Audit Committee. Members of the Audit and Performance Audit Committee should not be contracted continuously for a period exceeding six years. After serving consecutively for six years, a cooling-off period of two years should be provided before appointing the same member to the same committee.

An Audit and Performance Audit Committee member should give two calendar months written notice before resignation. The date of resignation should be minuted by the secretariat of the Audit and Performance Audit Committee.

Audit and Performance Audit Committee members can be dismissed by the Municipal Council under certain circumstances. The Municipal Council should consult the Chief Audit Executive when dismissing members of the committee. Reasons for dismissal could, amongst others, include:

- Where an ongoing conflict of interest exists;
- Where a member has not performed to expectations; and
- Where there is a total breakdown in trust in the relationship between the committee member and other members of the Audit and Performance Audit Committee.

9. ATTENDANCE/MEETINGS

(a) Senior Management (including Municipal Manager, Chief Financial Officer, and Heads of Departments), regardless of designation, should attend all meetings of the committee;

(b) Other divisional or section heads should attend meetings of the Audit and Performance Audit Committee as and when necessary and when required;

(c) The Chief Audit Executive of the municipality must, in all cases, and a representative of the external auditors should also, unless proven impractical, attend all meetings of the Audit and Performance Audit Committee;

(d) The Audit and Performance Audit Committee is empowered to invite other persons with relevant experience, both internally and externally, to attend its meetings as and when required;

(e) The Audit and Performance Audit Committee should meet at least quarterly and may convene special meetings when circumstances warrant such meetings;

(f) The Audit and Performance Audit Committee should meet separately with the Chief Audit Executive at all Audit and Performance Audit Committee meetings; and

(g) The secretariat distributes on a quarterly basis the meeting agenda, minutes and other relevant supporting documentation to the Audit and Performance Audit Committee members, which are on the agenda.

10. ETHICS AND PROFESSIONALISM

The Audit and Performance Audit Committee are required to conform with the standards of ethics and professionalism when conducting their operations. The Audit and Performance Audit Committee should:

(a) Perform their responsibilities in an ethical and professional manner. The Audit and Performance Audit Committee should demonstrate integrity and competency, maintain confidentiality and competency and exercise due professional care to ensure effective governance and ethical practice;

(b) Conduct their work with honesty and professional courage in committee operations and decision-making; and

(c) Disclose any actual or perceived conflict of interest before and/or during meetings.

11. AUTHORITY

(a) The Audit and Performance Audit Committee is authorised by the Council to investigate any matter within its terms of reference. It is the responsibility of the Municipal Manager and the Audit and Performance Audit Committee to ensure that the Internal Audit function is adequately resourced for effective functioning.

(b) To establish, maintain, and ensure that the Internal Audit function within the municipality has sufficient authority to fulfil its duties, the Audit and Performance Audit Committee will:

(i) Review and approve the Internal Audit charter on an annual basis;

(ii) Review and approve the risk-based strategic Internal Audit plan regularly;

(iii) Review and make recommendations to the Internal Audit budget and resource plan;

(iv) Receive communications from the Chief Audit Executive on the Internal Audit function's performance relative to its plan and other matters;

(v) Review and approve decisions regarding the appointment and removal of the Chief Audit Executive;

(vi) Review and make recommendations to the remuneration of the Chief Audit Executive;

(vii) Discuss with the Chief Audit Executive and Senior Management the appropriate authority, role, and responsibilities of the Internal Audit Function;

(viii) Approve the Internal Audit Charter, which includes the Internal Audit mandate and the scope and types of Internal Audit services;

(ix) Work with senior management to enable the Internal Audit Function`s unrestricted access to the data, records, information, personnel, and physical properties necessary to fulfil the

Internal Audit mandate;

(x) Support the Chief Audit Executive through regular, direct communication;

(xi) Have oversight and provide input in terms of the appointment and removal of the Chief Audit Executive;

(xii) Provide input to senior management to support the performance evaluation and remuneration of the Chief Audit Executive;

(xiii) Provide the Chief Audit Executive with opportunities to discuss significant and sensitive matters with the Audit and Performance Audit Committee, including meetings without senior management present;

(xiv) Approve the Chief Audit Executive`s roles and responsibilities and identify the necessary qualifications, experience, and competencies to carry out these roles and responsibilities.

(xv) Engage with senior management to appoint a Chief Audit Executive with the qualifications and competencies necessary to manage the Internal Audit Function effectively and ensure the quality performance of Internal Audit services.

(xvi) Approve the Internal Audit Function`s performance objectives at least annually.

(xvii) Make appropriate inquiries of management and the Chief Audit Executive to determine whether there are inappropriate scope or resource limitations.

(c) The Audit and Performance Audit Committee demonstrates support by assisting the Internal Audit function with the following:

- Specifying that the Chief Audit Executive reports to a level within the Municipality that allows the Internal Audit function to fulfil the internal audit mandate.
- Review and approve the Internal Audit charter, budgeted working hours allocated, and resource audit plan to execute the operational plan.
- Making appropriate inquiries of Senior Management and the Chief Audit Executive to determine whether any restrictions on the Internal Audit function's scope, access, authority, or resources limit the function's ability to carry out its responsibilities effectively.
- Meeting periodically with the Chief Audit Executive in sessions without Senior Management being present (if needed).
- Support the Chief Audit Executive through regular direct communications.
- Discuss with the Chief Audit Executive disagreements with Senior Management or other stakeholders and provide support as necessary to enable the Chief Audit Executive to perform the responsibilities outlined in the Internal Audit mandate.
- Gain an understanding of the effectiveness of the governance, risk management, and control processes of the municipality based on the results of Internal Audit engagements and discussions with Senior Management.
- Set expectations with the Chief Audit Executive for:
  - The frequency with which the Audit and Performance Audit Committee wants to receive communications from the Chief Audit Executive.
  - The criteria for determining which issues should be escalated to the Audit and

Performance Audit Committee include significant risks that exceed the Audit and Performance Audit Committee's risk tolerance.

- The process for escalating matters of importance to the Audit and Performance Audit Committee.

12. DUTIES OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE

The Audit and Performance Audit Committee will, at all times, recognise that the primary responsibility for the management of the Municipality rests with the Municipal Manager, however, the Audit and Performance Audit Committee has the following responsibilities, which include:

(a) To review the annual financial statements, related policies and Performance Report;

(b) To review the audit plans of the Chief Audit Executive and to ensure that these address the critical risk areas of the municipality;

(c) To advise and assist with the implementation so that no restrictions are placed on the rights, obligations, and responsibilities of any internal and external auditor;

(d) To review all internal and external audit reports and express comments and/or inputs;

(e) To review any recommendation made pertaining to the Internal Audit function;

(f) To facilitate proper communication and coordination between the internal and external auditors;

(g) To assess the effectiveness of the Internal Audit function and its auditing functions;

(h) To take cognisance of the cost of the external auditing function;

(i) To report to the Council on the activities of the Audit and Performance Audit Committee;

(j) To review the Auditor General's South Africa Audit and Management reports on the financial statements and Council's and Management's responses thereto to ensure satisfactory responses and corrective action, where necessary;

(k) To receive quarterly progress reports from the Chief Audit Executive;

(l) To review the role and position of the risk management function within the municipality;

(m) To review compliance with in-year reporting;

(n) To review the quarterly performance reports submitted by the Chief Audit Executive;

(o) To review and comment on the annual report of the municipality;

(p) To review the Audit and Performance Audit Committee's performance and achievements against its charter on an annual basis;

(q) To present the findings of the performance self-assessment by the Chairperson to the Municipal Manager and Council;

(r) To review and comment on compliance with statutory and contractual requirements and performance management best practices and standards;

(s) To review and comment on the alignment to the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP), and performance agreements;

(t) To review and comment on the relevance of indicators to ensure these are measurable and related to services performed by the municipality;

(u) To review and comment on the performance management system of the municipality and make recommendations for its improvement;

(v) To review and comment on the compliance with legislation in terms of the Council's policies and standing orders;

(w) To evaluate and assess on an annual basis the performance of the Internal Audit Function;

(x) To review and approve the Quality Assurance and Improvement Program and ensure that the external quality assessment is conducted at least every five years by a qualified independent assessor;

(y) Collaborate with senior management to provide the Internal Audit Function with sufficient resources to fulfil the Internal Audit mandate and achieve the internal audit plan;

(z) Discuss with the Chief Audit Executive, at least annually, the sufficiency, both in numbers and capabilities, of internal audit resources to fulfil the Internal Audit mandate and achieve the internal audit plan;

(aa) Review and approve the Chief Audit Executive`s plan for the performance of an external quality assessment;

(bb) Review and approve the Chief Audit Executive`s action plans to address identified deficiencies and opportunities for improvement;

(cc) Approve a timeline for completion of the action plans and monitor the Chief Audit Executive's progress.

(dd) Review, and discuss with the Auditor-General South Africa, the Draft AG Management Plan and the Draft AG Audit Report, with both these documents being made available at least three working days prior to such discussion; and

(ee) Review, and discuss with the AG, the Final AG Management Plan and the Final AG Audit Report, with both documents being made available at least three working days prior to such discussion.

13. THE RESPONSIBILITY OF THE AUDIT AND PERFORMANCE AUDIT COMMITTEE IN COMBINED ASSURANCE

The Audit and Performance Audit Committee provides assistance in developing and applying a combined assurance model to provide a coordinated approach towards assuring that relevant assurance activities are effective and efficient. This role consists of the following primary tasks:

(a) Provide oversight over the responsibilities for combined assurance and ensuring the appropriately reflected in the Audit and Performance Audit Committee Charter;

(b) Encourage cooperation between internal and external audits;

(c) Review coverage and scope between internal and external audits to avoid duplication and allow for possible cost savings from the integration of the two functions;

(d) Review and provide input to the Combined Assurance Plan (CAP) of the municipality;

(e) Review and comment on whether the Combined Assurance Plan can be linked to the risk assessment that was performed;

(f) Review and provide input that the high-risk areas are included in the operational plan;

(g) Review quarterly reports that reflect actual performance by the different assurance providers and compare them with the Combined Assurance Plan; and

(h) Review corrective action taken when identified risks are not being covered by assurance activities.

14. REMUNERATION

Having regard to the functions performed by the members of the Audit and Performance Audit Committee and pursuant to the powers of the Municipal Council, members of the Audit and Performance Audit Committee shall be paid such remuneration in respect of their appointment as shall be fixed by the Municipal Council from time to time.

The Municipal Council applies the hourly rate in line with the remuneration Regulations and Guidelines set out by the National Treasury and revised on an ongoing basis.

As per the MFMA Circular 65, the Chief Audit Executive in consultation with the Chairperson of the Audit and Performance Audit Committee must determine the timeframes of all meetings. Considering the financial implications, the Chairperson of the Audit and Performance Audit Committee must agree if meetings go beyond a one day sitting.

The Municipal Manager in consultation with the Chief Financial Officer is required to pre-approve the reimbursement of all travel expenditure for members of the Audit and Performance Audit Committee to pay for modes of travel to such meetings, in terms of the Municipal Council policies.

15. PERFORMANCE ASSESSMENTS

The Audit and Performance Audit Committee should assess its performance and achievements against its charter on an annual basis. The assessment would cover the performance of the individual member as part of the overall Audit and Performance Audit Committee with reference to the skills the members possess as a collective.

The aim of the assessment is to ensure that the Audit and Performance Audit Committee is meeting its objectives efficiently and effectively. The findings of the assessment should be presented by the Chairperson to the Municipal Manager and Municipal Council.

16. HISTORY OF REVIEW AND APPROVAL

Approval/ Review Period	Council Approval
2014/2015	Approved by Council on 31 March 2014 Item A2548
2015/2016	Approved by Council on 27 August 2015 Item C16
2016/2017	Approved by Council on 29 September 2016 Item 147
2017/2018	Approved by Council on 29 June 2017 Item A94
2018/2019	Approved by Council on 21 June 2018 Item A71
2019/2020	Approved by Council on 25 July 2019… ItemA81
2020/2021	Approved by Council on 15 June 2020 Item A59
2021/2022	Approved by Council on 24 June 2021 Item A85
2022/2023	Approved by Council on 30 June 2022 Item A116
2023/2024	Approved by Council on 26 July 2023 Item A116
2024/2025	Approved by Council on 31 July 2024 Item A102
2025/2026	Approved by Council on 30 June 2025 Item A112
2026/2027	Approved by Council on 29 June 2026 Item A112