OVERSTRAND MUNICIPALITY

JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE CHARTER

Approved by Council
28 October 2026

TABLE OF CONTENTS

No.	PARAGRAPH	PAGE
1.	**PURPOSE AND OBJECTIVE**	**3**
2.	**AUTHORITY**	**3 – 4**
3.	**STRUCTURE OF THE JOINT AUDIT AND PERFORMANCE AUDIT COMMITTEE**	**4 – 7**
3.1	Composition of the Joint Audit and Performance Audit Committee	**4**
3.2	Appointment, membership, independence and performance assessment	**4 – 5**
3.3	Membership and independence	**5**
3.4	Term of Office	**5**
3.5	Induction of Joint Audit and Performance Audit Committee member(s)	**5 – 6**
3.6	Performance assessment	**6**
3.7	Reporting	**6 – 7**
4.	**ROLES AND RESPONSIBILITIES**	**7 – 11**
4.1	Internal Audit	**7**
4.2	External Audit	**7 – 8**
4.3	Annual Financial Statements	**8 – 9**
4.4	Risk Management	**9**
4.5	Internal Control Environment	**10**
4.6	Performance Management	**10**
4.7	Information Technology (IT) Governance	**11**
4.8	Relationship with stakeholders	**11**
4.9	Compliance with laws, regulations, ethics, policies and procedures	**11**
5.	**MEETINGS**	**11**
5.1	Quorum	**11**
5.2	Notice of meetings	**11**
5.3	Agenda of meetings	**11 – 12**
5.4	Minutes of meetings	**12**
6.	**REMUNERATION**	**12**
7.	**REVIEW PERIOD**	**12**

1. PURPOSE AND OBJECTIVE

1.1 The Joint Audit and Performance Audit Committee (JAPAC) performs the responsibilities assigned to it by section 166 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 (MFMA), the Local Government: Municipal Systems Act, No. 32 of 2000, the corporate governance responsibilities delegated to it under this Charter, other applicable legislation and related regulations, circulars issued from time to time by National Treasury and adopted by Council in terms of section 168(3) of the MFMA, guides and recognised good governance practices, including the King Report on Corporate Governance for South Africa, where applicable to the municipal environment.

Recognised corporate governance principles emphasise appropriate oversight of internal control, risk management, governance and financial reporting. The implementation of control and information systems is essential to the effective discharge of the management's responsibilities.

1.2 The JAPAC assists Council in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process and the Municipality's process for monitoring compliance with laws and regulations and the Code of Conduct.

1.3 The JAPAC operates as an independent advisory committee of the Overstrand Municipal Council and must:

1.3.1 advise the Municipal Council, the political office bearers, the accounting officer and the management and staff of the municipality on matters relating to–
1.3.1.1 internal financial control and internal audits;
1.3.1.2 risk management;
1.3.1.3 accounting policies;
1.3.1.4 the adequacy, reliability and accuracy of financial reporting and information;
1.3.1.5 performance management;
1.3.1.6 compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation;
1.3.1.7 performance evaluation; and
1.3.1.8 any other issues referred to it by the municipality.

1.4 This charter sets out the specific responsibilities of the JAPAC and details the manner in which the JAPAC will operate.

2. AUTHORITY

2.1 The JAPAC is hereby authorised to conduct or authorise investigations into any matter within the scope of its responsibility.

2.2 The Overstrand Municipal Council authorises the JAPAC to fulfil the responsibilities as set out in this charter. In doing so, the JAPAC is authorised to:

2.2.1 have full, free and unrestricted access to all the activities, records, property and staff of the Municipality. All Municipal employees are directed to co- operate with any request made by the JAPAC;
seek any information it requires from external parties, obtain outside legal or other independent professional advice and to secure the attendance of any person with relevant experience and expertise if it considers this necessary. Any such appointments shall be made subject to normal tender and procurement procedures of the municipality;
2.2.2 request or invite any relevant person to appear and/or attend any of its meetings and, if necessary, to provide information requested by the Committee;
2.2.3 conduct investigations into the financial affairs of the municipality as may be requested

by the Council of the municipality;

2.2.4 resolve any disagreements between management and the external auditor regarding financial reporting;

2.2.5 the JAPAC may not perform any management functions or assume any management responsibilities. The JAPAC does not relieve management of its responsibilities but may support management by making objective and independent recommendations.

2.3 The Municipal Public Accounts Committee (MPAC), in discharging its responsibilities, may make use of any information provided by the JAPAC to avoid duplication of effort.

3. STRUCTURE OF THE JAPAC

3.1 Composition of the JAPAC

The JAPAC will consist of not less than three and not more than five members. No councillor or Overstrand municipal official may be a member of the JAPAC. Members of the JAPAC will serve on the Committee in their individual capacity.

3.2 Appointment, membership, independence and performance assessment

Section 166(5) of the MFMA requires that members of the JAPAC be appointed by the Municipal Council. Council shall appoint one of the members as the chairperson of the Committee. The appointed members will be required to enter into a contract with the Overstrand Municipality.

The following factors should be considered when selecting the chairperson of the JAPAC – that the person:

3.2.1 has good standing and ability to lead discussions;
3.2.2 creates vision and provides direction at meetings;
3.2.3 builds municipal capabilities by guiding management based on expert knowledge and skills;
3.2.4 promotes and achieves quality outcomes at meetings;
3.2.5 has the ability to effectively advise Council of any impending non-compliance within the legislative framework;
3.2.6 conducts meetings in a manner that demonstrates a desire to establish effective communication with all stakeholders.

In determining suitable candidates to serve on the JAPAC and maintaining a balanced composition, members will be selected from different areas of expertise. The Municipal Council should seek to appoint candidates who have the ability to:

3.2.7 perform the role of advisors to management;
3.2.8 communicate effectively with management;
3.2.9 carefully review information received and obtain clarification from management as and when appropriate, and follow up on any matter that is unclear;
3.2.10 conduct responsibilities in the context of the municipality's strategic objectives and overall corporate governance of the Council;
3.2.11 act independently and be proactive in advising the accounting officer regarding issues that require management attention;
3.2.12 build relations with management;
3.2.13 have a professional approach to performing duties, including commitment of time and effort, and that;
3.2.14 each committee member must be independent and appropriately skilled.

Collectively, the appointed JAPAC members should possess the following skills and experience:

3.2.15 private and public sector experience;

3.2.16 an understanding of service delivery priorities;
3.2.17 good governance and/or financial management experience;
3.2.18 an understanding of the role of Council and councillors;
3.2.19 an understanding of the operations of the municipality;
3.2.20 familiarity with risk management practices;
3.2.21 an understanding of internal controls;
3.2.22 an understanding of major accounting practices and public sector reporting requirements;
3.2.23 an understanding of public sector reforms;
3.2.24 familiarity with legislation applicable to municipalities;
3.2.25 an understanding of the roles and responsibilities of the internal and external auditors;
3.2.26 an understanding of the treatment of allegations and investigations; and
3.2.27 an understanding of the performance management system.

3.3 Membership and independence

In order to be effective, the JAPAC will be independent and safeguarded from any undue influence in exercising its responsibilities in an objective manner. To enhance the functioning of the JAPAC, the following will be required:

3.3.1 the JAPAC chairperson and members must be independent of the municipality;
3.3.2 the JAPAC chairperson and members should not be biased but exhibit an independence of mental attitude during deliberations;
3.3.3 JAPAC chairperson and members must declare private and business interests relevant to the subject matter(s) of the meeting at ***every meeting***; and
3.3.4 the JAPAC chairperson and members should not carry out any business with the municipality.

3.4 Term of Office

3.4.1 The chairperson should be appointed for a minimum of three (3) years to ensure that the chairperson contributes effectively and provides stability to the JAPAC.
3.4.2 All JAPAC members should serve at least a period of three (3) years with the option by the Council to renew the term for another three (3) years, based on performance of the member.
3.4.3 The term of office of any JAPAC member must not exceed three (3) years per term.
3.4.4 Vacancies in the JAPAC must be filled in accordance with paragraph 3.4.2 above. The recruitment and appointment process for members should, where practicable, be concluded at least three (3) months before the expiry of the term of existing members to ensure continuity and orderly handover.
3.4.5 After serving consecutively for six (6) years, a cooling off period of two (2) years should be applied before re-appointing the same member to the JAPAC.

3.5 Induction of JAPAC member(s)

A formal process of induction must be facilitated by the Chief Audit Executive in consultation with the Accounting Officer. During the induction of the JAPAC members, the roles and responsibilities of the JAPAC must be clarified. The induction processes should entail sufficient briefings and information on their roles, responsibilities, accountability and management expectations. New members should meet and be briefed by the Accounting Officer, Chief Financial Officer, Director of Management Services, Chairperson of the JAPAC and the Chief Audit Executive. New members should also be introduced to external auditors. The information to be provided to new members should include:

3.5.1 the municipality's governance and operational structures and how the JAPAC operates within this structure;
3.5.2 a copy of the JAPAC Charter including any policies, recent JAPAC minutes, Audit management letter, audit opinion, including details of outstanding issues, Council resolutions and recommendations presented to the Municipal Council;
3.5.3 copies of the relevant legislation;
3.5.4 copies of the latest municipality's annual report, annual financial statements, integrated development plan, budget, service delivery and budget implementation plans, in-year reports,

code of conduct, performance agreements, risk register and risk management plans;

3.5.5 information from management and internal audit on the risk profile, status of internal controls and system of delegation; and

3.5.6 a copy of the Internal Audit Charter and annual work plans.

3.6 Performance assessment

3.6.1 The JAPAC should assess its performance and achievements against its charter on an annual basis. The assessment must cover the performance of the individual member as part of the overall JAPAC with reference to the particular skills the member has brought to the JAPAC as a whole.

3.6.2 The aim of the self-assessment is to ensure that the JAPAC is meeting its objectives efficiently and effectively. The findings of the self-assessment should be presented by the chairperson to the Accounting Officer and Overstrand Municipal Council.

3.6.3 Where the self-assessment highlights a need for enhancements to the role, operational processes, or membership of the committee, the chairperson should take action to ensure that such enhancements are implemented. The chairperson may need to consult with the accounting officer and municipal Council to obtain appropriate support to ensure all enhancements are implemented.

3.6.4 Where the JAPAC is not performing in accordance with the JAPAC Charter and this has been observed by various stakeholders for example, external audit, internal audit or management, this will need to be brought to the attention of the accounting officer and Municipal Council.

3.6.5 If an individual JAPAC member is not performing, then the member must be given an opportunity to address such with the Municipal Council. If it is considered necessary to terminate the service of a JAPAC member prior to the end of the term of appointment, proper procedures should be followed.

3.7 Reporting

The chairperson of the JAPAC will prepare a report on the operations of the Internal Audit Unit and the JAPAC and will submit the report to the Overstrand Municipal Council on a quarterly basis. The reporting should include a summary of the work performed by Internal Audit and the JAPAC against the annual work plan, issues, and related recommendations. Other reporting responsibilities include:

3.7.1 report to the Overstrand Municipal Council about the JAPAC's activities, issues and related recommendations when deemed appropriate;

3.7.2 provide an open avenue of communication between Internal Audit, the external auditors, and the Overstrand Municipal Council;

3.7.3 review any other reports and issues related to the JAPAC responsibilities;

3.7.4 report annually in the Annual Report, describing the Committee's composition and the effectiveness of internal controls, comment on its evaluation of the annual financial statements and confirming that all responsibilities outlined in this Charter have been carried out.

3.7.5 provide a report to MPAC to enable MPAC to give effect to Section 79A (3) (b) of the Local Government: Municipal Structures Amendment Act, 2021 which requires MPAC to:

"Review internal audit reports together with comments from the management committee and the audit committee and make recommendations to the Municipal Council."

The JAPAC may forward specific JAPAC meeting minutes and reports to the Municipal Council.

Any material matters requiring immediate attention shall be reported to the Accounting Officer, the Auditor-General and the Executive Mayor, and, where appropriate, the JAPAC may also report to higher authorities.

4. ROLES AND RESPONSIBILITIES

4.1 Internal Audit

The JAPAC shall concur on the appointment, replacement and/or dismissal, of the Chief Audit Executive. In the event of replacement, dismissal, resignation or early retirement of the Chief Audit Executive , the full details of the circumstances surrounding the action must be revealed to the JAPAC. The JAPAC shall also report to the Municipal Manager/Accounting Officer and the Executive Mayor on the effectiveness of the Internal Audit Activity, as appropriate and through the applicable reporting processes.

The JAPAC shall ensure that the Internal Audit Unit performs its responsibilities effectively and efficiently by:

4.1.1 reviewing and approving the Internal Audit Charter and mandate;
4.1.2 reviewing the three-year strategic Internal Audit Coverage Plan (ACP) and annual Internal Audit Plan as presented by the Chief Audit Executive (CAE), including detailed scope, priorities, resourcing and any material changes during the year;
4.1.3 reviewing the organisational structure, competence and qualifications of the Internal Audit Unit;
4.1.4 reviewing the Internal Audit Strategy, plans and budgets of the Internal Audit Unit and ensuring that the plan addresses the high-risk areas and that adequate resources are available;
4.1.5 ensuring that Internal Audit's Strategy and plans are aligned to the Municipality's strategic objectives, key risks, key indicators and targets, and include appropriate focus on economy, efficiency and effectiveness;
4.1.6 reviewing the audit results and action plans of management;
4.1.7 evaluating the performance and effectiveness of Internal Audit;
4.1.8 considering the Chief Audit Executive's annual written assessment on governance, risk management and internal control processes;
4.1.9 requesting specific audit projects where necessary;
4.1.10 reviewing results of quality assessment reviews and overseeing the Quality Assurance and Improvement Programme (QAIP), including ongoing internal assessments and an external quality assessment at least once every five (5) years;
4.1.11 monitoring Internal Audit's conformance with the Global Internal Audit Standards, applicable Topical Requirements and other applicable professional standards;
4.1.12 meeting separately with Internal Audit to discuss matters that the JAPAC believe should be discussed privately;
4.1.13 reviewing management requests for extra work to be carried out by Internal Audit in particular areas of accounting and control systems;
4.1.14 considering significant disagreements between management and Internal Audit and advising on appropriate resolution;
4.1.15 ensuring that Internal Audit's work is co-ordinated with that of External audit and other relevant assurance providers, where appropriate;
4.1.16 ensuring that internal auditors are independent and objective and that there are no restrictions or limitations placed on the internal auditors; and
4.1.17 ensuring that there is support for the Internal Audit Unit and external auditors from senior management.

4.2 External Audit

The JAPAC shall also:

4.2.1 ensure that there are no restrictions or limitations placed on the external auditors;
4.2.2 review the Auditor-General's engagement letter, audit strategy and audit plan, including scope, approach, timeliness, significant audit risks and key reporting requirements;
4.2.3 review the external auditors' proposed audit scope and approach, including co-ordination with Internal Audit and other relevant assurance;

4.2.4 consider the independence and objectivity of the external auditors, including any matters that may impair such independence or objectivity;
4.2.5 discuss the extent to which the external auditors intend to rely on the work of Internal Audit and other assurance providers;
4.2.6 review audit results, the quality and content of the financial information, and management action plans;
4.2.7 consider the quality and effectiveness of the external audit process, including the adequacy, timeliness and clarity of communication with management and the JAPAC;
4.2.8 obtain or consider assurance from management and/or External Audit regarding the reliability of the annual financial statements and underlying financial information;
4.2.9 consider significant disagreements between external auditors and management;
4.2.10 consider material unresolved accounting and auditing problems;
4.2.11 consider the process followed by External Audit and management for identifying, communicating and addressing reportable irregularities, where applicable;
4.2.12 ensure direct access by the external auditors to the JAPAC and the Chairperson of the JAPAC or Accounting Officer, as appropriate;
4.2.13 review the fees and other expenses to be paid to the Auditor- General;
4.2.14 meet separately with the external auditors to discuss matters that the Committee or the auditors believe should be discussed privately;
4.2.15 identify key matters arising in the current year's management letter and satisfy themselves that these matters are being addressed properly;
4.2.16 review interim reports issued in order to take cognisance of the issues raised in determining the follow-up work of Internal Audit;
4.2.17 conduct a review of the extent to which previously reported findings by the external auditors have been addressed by the municipal council;
4.2.18 provide advice to the accounting officer on actions taken relating to significant matters raised in external audit reports; and
4.2.19 address outstanding matters raised by the external auditors and ensure that findings are dealt with conclusively in an expeditious manner.

4.3. Annual Financial Statements

The Municipality's annual financial statements should be reviewed by the JAPAC at least two weeks before submission to the Auditor-General. The process and timelines for JAPAC meetings should be aligned accordingly.

The JAPAC must review the annual financial statements, and the financial information included in the Annual Report where applicable, to provide the Overstrand Municipality with an authoritative and credible view of the financial position of the municipality.

Specifically with regard to Annual Financial Statements and related annual reporting, the JAPAC should:

4.3.1 review and challenge where necessary–

4.3.1.1 management's assurance, including the Chief Financial Officer's assurance, on the validity, accuracy and completeness of the annual financial statements and compliance with applicable legislation;
4.3.1.2 consistency of, and any changes to, accounting policies, comparing to prior years;
4.3.1.3 methods used to account for significant or unusual transactions where different approaches are possible;
4.3.1.4 whether the Municipality has followed appropriate accounting standards and made appropriate estimates and judgments, taking into account previous audit outcomes;
4.3.1.5 the quality of disclosure in the Municipality's financial reports and the context in which

statements are made;

4.3.1.6 all material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management);

4.3.1.7 all material issues in prior reports by the AGSA have been appropriately accounted for, resulting in fair presentation;

4.3.1.8 analysis of trends and other financial ratio calculations e.g. year-on-year comparisons and composition of primary groups such as salaries as a component of operations, whether operations are undertaken on a sustainable basis, operations at surplus or deficit, and efficiency and solvency ratios;

4.3.1.9 the adequacy of the expertise, resources and experience of the municipal finance function to prepare and support credible financial reporting; and

4.3.1.10 the external audit report and management responses before recommending the annual financial statements and related financial information in the annual report to Council, where applicable.

4.4 Risk Management

Risk management is an essential part of effective corporate governance and, whilst it is a management responsibility, the JAPAC oversees and provides advice on matters relating to risk management.

The JAPAC should understand and consider the major risk areas including the financial, legal and fiscal risks and the internal control environment. The JAPAC should monitor the control process and the adequacy of the system of internal control by viewing internal and external audit reports and should:

4.4.1 be constantly aware of the current high-risk areas and ensure management is effectively managing those risks;

4.4.2 review the Municipality's risk management framework, risk evaluation criteria, risk appetite and risk tolerance levels;

4.4.3 review the strategic risk register and relevant Fraud and Risk Management (FARMCO) reports;

4.4.4 provide feedback to the Accounting Officer and Council on the effectiveness of risk management, where appropriate;

4.4.5 satisfy itself with regard to the integrity and prudence of management control systems, including the review of policies and/or practices (procedures);

4.4.6 ensure that the Municipal Council and management are aware of matters that came to the JAPAC's attention that might have a significant impact on the financial condition or affairs of the municipality;

4.4.7 monitor risks and ensure that appropriate controls are in place, to accomplish the objectives set out in the mission statement, municipal strategic plan and any other transformation processes;

4.4.8 communicate with internal and external auditors any fraudulent activities, suspected fraud or fraud investigation being conducted which they are aware of;

4.4.9 discuss with the internal and external auditors any concerns about the nature, extent and frequency of management assessment of the accounting and control systems in place, to prevent and detect fraud;

4.4.10 notify the Executive Mayor, in accordance with the municipality's Standard Procedures for the Management of Allegations of Misconduct against Senior Managers or the Municipal Manager and applicable Disciplinary Regulations when the Accounting Officer has been implicated in fraud, corruption or gross negligence; and

4.4.11 review the controls designed to ensure that municipal assets are safeguarded.

4.5 Internal Control Environment

The JAPAC members need to have a good understanding of the internal control environment. In

fulfilling this responsibility, the committee should obtain assurance from management that appropriate policies, processes and procedures are in place to support compliance and should:

4.5.1 ensure that management follows a sound process to draw conclusions on the adequacy and effectiveness of the system of internal control;
4.5.2 establish whether management has relevant policies and procedures in place and that these are adequate, effective and regularly updated;
4.5.3 determine whether appropriate processes are followed and complied with on a regular basis;
4.5.4 consider measures applied on any required changes to the design or implementation of internal controls;
4.5.5 assess steps taken by management to encourage ethical and lawful behaviour; financial discipline and accountability for use of public resources;
4.5.6 review internal and external auditors written reports concerning compliance, any significant findings and recommendations, and follow-up on the implementation of recommendations;
4.5.7 monitor developments and changes in the law relating to the responsibility and accountability of management and review the extent to which management is meeting its obligations; and
4.5.8 recommend that management obtain legal advice on significant compliance matters, where necessary.

4.6 Performance Management

The JAPAC members need to have a good understanding of the performance management system of the municipality. Its responsibilities shall include:

4.6.1 review and comment on compliance with statutory requirements and performance management best practices and standards, and the municipality's performance management policy;
4.6.2 review and comment on the alignment of the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and performance agreements to the Municipality's strategic objectives, service delivery priorities, key performance indicators and targets;
4.6.3 review and comment on relevance of indicators to ensure they are measurable and relate to services performed by the municipality;
4.6.4 review compliance with in-year reporting requirements;
4.6.5 review the quarterly performance reports submitted by Internal Audit;
4.6.6 review and comment , through the JAPAC reports to Council, on the municipality's annual financial statements and timely submission to the Auditor-General by 31 August, each year;
4.6.7 review and comment on the municipality's annual reports within the stipulated timeframes;
4.6.8 review and comment on the municipality's performance management system and make recommendations for its improvement; and
4.6.9 participation by the Chairperson of the JAPAC in the bi-annual performance appraisal of the management team as an observer.

4.7 Information Technology (IT) Governance

The JAPAC needs to provide advice on IT governance, controls, access and safeguarding of information in the municipality.

Specific expertise may be required from within or outside the Municipality from time to time, to assist the Internal Audit Unit and JAPAC to formulate recommendations on systems and controls. The JAPAC may provide advice on the appropriateness of disaster recovery and business continuity plans supporting IT risks, regular testing and evaluation of plans, systems and processes.

4.8. Relationship with stakeholders

The JAPAC is required to maintain constructive relationships with key stakeholders, such as:

4.8.1 Overstrand Municipal Council

4.8.2 Municipal Public Accounts Committee
4.8.3 Portfolio Committees of Finance and Management Services
4.8.4 Accounting Officer
4.8.5 Management and municipal officials
4.8.6 Internal and External Auditors
4.8.7 Provincial Treasury
4.8.8 National Treasury

4.9. Compliance with laws, regulations, ethics, policies and procedures

The JAPAC shall ensure that the management of the municipality has the necessary mechanisms in place to ensure compliance with pertinent laws and regulations and is conducting its affairs ethically. This must include maintaining effective controls against conflicts of interest, fraud and corrupt practices.

The specific steps involved in carrying out this responsibility shall include:

4.9.1 review the effectiveness of all systems for monitoring compliance with relevant laws and regulations in terms of the JAPAC's mandate and authority;
4.9.2 review whether all regulatory compliance requirements have been considered in the preparation of the financial statements and performance management processes and reports; and
4.9.3 review the adequacy and effectiveness of management's systems for ethics, fraud prevention, anti-corruption, conflicts of interest and whistle-blowing, within the JAPAC's mandate.

5. MEETINGS

The JAPAC must meet as often as required to perform its function but has to meet at least four (4) times per annum.

The JAPAC shall agree on an annual meeting plan that will be prepared by the Chief Audit Executive. Special meetings of the JAPAC may be convened as required. Any member of the JAPAC may call a special meeting. The Internal or External Auditors may request a meeting with the JAPAC if they consider that one is necessary.

The JAPAC may hold private meetings with internal and external auditors and executive sessions as necessary.

5.1 Quorum

The quorum for meetings will be three (3) members.

5.2 Notice of meetings

Notice shall be given to all members of the JAPAC and other interested parties, of each meeting to be held, within a reasonable time prior to the date on which such meeting is to be held.

5.3 Agenda of meetings

The agenda of the meeting shall be prepared, in consultation with the Chairperson of the JAPAC, and distributed at least seven (7) days prior to the meeting date. Any person attending the meeting may add items to the agenda two (2) days before the meeting. Such items should be provided to the Internal Audit Unit which will act as the secretariat of the JAPAC.

5.4 Minutes of meetings

The proceedings of all meetings will be documented in minutes.

The Internal Audit Unit shall keep minutes of all JAPAC meetings. The minutes of the JAPAC meetings shall be compiled within seven (7) days of the date of the meeting and shall be included in the agenda of the next JAPAC meeting.

6. REMUNERATION

JAPAC members not being in the public service shall be remunerated for their services on the JAPAC based on preparation time and meetings attended. The Chairperson of the JAPAC shall be paid additional remuneration for such attendance and for services related to the JAPAC.

The JAPAC members shall be remunerated for meeting attendance in accordance with the day tariff as prescribed and amended in terms of National Treasury Regulations from time to time.

The JAPAC members shall be remunerated for preparation time at a fixed rate equal to 3 (three) hours remuneration in accordance with the tariffs as prescribed and amended from time to time in terms of National Treasury Regulations.

The amount payable is an all-inclusive amount, less any statutory deductions required by the South African Revenue Service (SARS) or applicable legislation, where applicable. JAPAC members are appointed and remunerated as independent contractors/suppliers and are not employees of the Municipality. The municipality shall not be obliged to pay any amounts to any pension fund or medical aid on behalf of the member.

The Joint Audit and Performance Audit Committee members shall be reimbursed for kilometres travelled in accordance with the applicable legislation and municipal policy.

7. REVIEW PERIOD

The JAPAC Charter will be reviewed, by the JAPAC at least on an annual basis and submitted to the Overstrand Municipal Council for approval.

POLICY SECTION:	Internal Audit Services
CURRENT UPDATE	28 October 2026
PREVIOUS REVIEW	29 March 2023
PREVIOUS REVIEW	24 February 2021
PREVIOUS REVIEW	31 May 2017
APPROVAL BY COUNCIL	25 May 2016