



OVERSIGHT REPORT 2018/2019

PROBED BY MPAC 21 /7/ 2020

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Introduction

The Annual report is a document which provides an overview of the process of financial and non-financial performance in respect of previous financial period 2018/2019. The adoption of the Annual report is a legislated requirement in terms of MFMA Act 56 of 2003.

Background

The draft annual report for the financial year 2018/2019 was prepared by management and tabled in Council meeting dated 30 January 2020.

The Oversight report is the final step in the Annual reporting process. Section 129 of the MFMA requires the Council to consider the Annual report of the municipality and municipal entities and to adopt an oversight report containing the Council comments on each annual report as per MFMA circular 32.

The oversight report must include a statement whether the Council:

(i) has approved the annual report with or without reservations;

(ii) reject the annual report; or

(iii) has referred the annual report back for revision of those components that can be revised.

The roles identified in the Annual Reporting process

1. The role of Management

The Management is responsible for the preparation of the Annual Report and to submit the report to Council. The Council will refer the Annual report to the committee (MPAC) for consideration.

2. The role of the committee (MPAC)

The role of MPAC is to consider the structure and content of the Annual Report to determine whether it complies with standards set by the National Treasury, contains information required in terms of circular 63 and 68 and if such content fairly represent the achievements of the municipality over the relevant financial year. After consideration of the Annual report, MPAC must prepare an Oversight report in terms of the circulars.

3.The role of Council

The Council's role is to receive and consider the recommendations of the MPAC with a view of taking final decision on the matter.

3. Legal Status

3.1 The constitution of SA 108 of (1996)

3.2 The Municipal Structures Act 117 of (1998)

3.3 The Municipal Systems Act of 32 (2000)

3.4 The Municipal Financial Management Act 56 of (2003)

3.5 The Municipal Performance Regulations for Municipal Managers directly accountable to Municipal Managers (2006)

3.6 The Municipal Financial Management Act circular 32,63 and 68.

3.7 Municipal Public Accounts guidelines

3.8 The Public Audit Act No.25 of 2004

4 Purpose of the report

The purpose of this report is to provide comments to the Council on the draft Annual report for the 2018/2019 year referred to MPAC by Council dated 30th January 2020 and to make appropriate recommendations for adoption.

5. MPAC Processes

5.1 Members of MPAC

Cllr Pilusa KO Chairperson

Cllr Peta KA member

Cllr Shayi S member

Cllr Mampuru N J member

Cllr Sekwakwa M S member

Cllr Ramothwala B member

Cllr Malatjie TC member

5.2 Meetings Conducted

Meeting held on the **21st February 2020** to reflect on the draft Annual Report referred to MPAC by Council on the 30th January 2020 for probing. The report included annexure's:

- Performance report.
- Organizational structure
- Attendance registers for Council meetings
- The Auditor General Report
- Audited Annual Financial Statement
- Audit committee report

MPAC visited project on the **26 February** as part of the oversight. The following projects were visited: Mashishimale Sports Complex, Tambo Upgrading of streets phase 2a, Tshelang Kgape to R71 Upgrading of streets and Bufferzone in Namakgale

Working Session conducted to examine and discuss the Annual Report in detail. MPAC also obtained the views of the following stakeholders on the dates **4th to 6th March 2020** in order to facilitate the consideration of the Annual Report:

The Audit Committee Chairperson

Chief Audit Executive (Internal Audit)

Risk Manager

PMS Manager

The Committee held the meeting on the **25th of June 2020** to further engage issues of the draft Annual report regarding questions sent to Management and also prepare for the public hearing which was on hold due to Covid-19 since the 27 of March 2020.

1st of July MPAC had the meeting with Management to discuss matters relating the questions sent to them for responses.

The public hearing on the draft Annual report was held on **the 3rd July 2020**.

5.Findings

- 1.The incorrect reporting regarding the Mashishimale sports complex, it is reported to be at 95% complete while other things like cabling, grassing, fencing and electrification are still not done.
- 2.Thambo upgrading of streets phase 2a, the road had multiple cuts and reported to be completed.
- 3.Tshelang kgape to R71 road complete but motorist is racing in that road.
- 4.No separate votes for water with Mopani for the water that we sell.
- 5.That irregular expenditure is only identified by AG .
6. The issue of POE is still a problem in the municipality.
7. There is still a major problem with the report of finance and asset, specific areas on preparation of the AFS.

6.Comments from the Public

No comments received from the public, and public participation was not done on the annual report due to Covid -19

7.Recommendations

The Municipal Public Accounts Committee recommends that:

- 7.1 Council note the Oversight report for 2018/19 financial year.
- 7.2 Council Approve the Oversight Report without reservation.
- 7.3 That correct reporting regarding Mashishimane sports complex be done when everything is completed.
- 7.4 That speed humps be erected at Tshelang Kgape to R71 road to avoid Speeding and motor racing on that road.
- 7.5 That door to door visits be done to verify data of the consumers and cleansing of data to start afresh.

BA-PHALABORWA LOCAL MUNICIPALITY

7.6 That management get an independent person to address the matters regarding irregular expenditures, management cannot do it themselves as they are the ones causing it.

7.7 That disciplinary actions be taken to those who submit the evidence late and management should monitor whether the evidence provided align with the statement requested.

7.8 That panel of assistance on inventory, asset and finance be appointed in time to avoid late preparations.

8. Annexures

The following documents to be attached on the Oversight report

8.1 Schedule for considering the 2018/19 Annual report.

8.2 Questions and responses.

8.3 Working template

8.4 Attendance register

8.5 Public notice

8.6 Pictures for projects visit

 30/07/2020
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CLLR PILUSA KO

DATE

MPAC CHAIRPERSON

BA-PHALABORWA MUNICIPALITY



OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

26 February 2020

The Hon Mayor

Cc: Accounting Officer/ Speaker

Ba-Phalaborwa Municipality

Private Bag x 01024

PHALABORWA

1390

Madam, Sir

RE: 2018/19 DRAFT ANNUAL REPORT – QUESTIONS BY MPAC TO THE ACCOUNTING OFFICER

Questions

Mayor's foreword:

The 2018/2019 Draft Annual Report indicates an achievement of 91% and one of the major challenges indicates low revenue collection, but the physical observation of the Municipality is not confirming the actual performance reported.

- With such high performance achievement, why are the Municipal parks and open spaces not maintained?
- Notwithstanding the lack of human capital and machinery, the Parks and Cemeteries has now resorted to partnering with the private sector to augment the not possible to accomplish mandates.
- A Parks and open Spaces rehabilitation strategy is Council bound.

- We conducted site visits on Municipal buildings and observed that Mashishimale Multi-purpose centre, Memorial Precinct, Namakgale, Lulekani Halls and Impala Park sports hall are dilapidated and not well maintained. Why was this property not maintained?

- What plan do you have to ensure maintenance and rehabilitation of this Municipal properties?

The reason of why the properties are not properly maintained is that Municipality has shortage of staff and also the aging of staff in the building and water section. Some of the works cannot be carried out internally by the Municipal maintenance teams due to shortage of capacity and Personnel, the Department requests assistance through RFQ'S from service Providers to assist the Municipality. The Department is also planning to implement a Pool of Contractors to assist with both Major and Minor works to reduce the backlog of the Infrastructure maintenance.

The Department has maintenance plans and the Facility management plan prepared every financial year which assists in planning of the preventative and routine maintenance of the facilities and also the inspections of the facilities to effectively guide the sections when preparing and implementing the maintenance plans.

Namakgale Memorial Precinct

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE
1.	Painting of walls (Internal and External)	May 2020	Jun 2020
2.	Painting ceiling	May 2020	Jun 2020
3.	Fixing of loose handles	Mar 2020	Mar 2020
4.	External lights not working (Day /night switch to be replaced)	Mar 2020	Mar 2020
6.	Replacement of locks on non-locking doors (two inside the hall)	Apr 2020	Apr 2020

Namakgale Town Hall

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Re-instate suspended ceiling and roof fixing.			RFQ submitted.
2.	Re-instate the paving blocks	May 2020	May 2020	-
3.	Painting of internal hall	Apr 2020	Apr 2020	-
4.	Brick dressing internal	Mar 2020	Mar 2020	In progress.
5.	Fixing leaking roof and blocked downpipes in columns	May 2020	May 2020	-
6.	Fixing window handles and window stays.	Apr 2020	Apr 2020	-

7.	Fix non-working lights in toilets, stage and offices.	Mar 2020	Mar 2020	-
8.	Remove old vinyl tiles with ceramic tiles	Sep 2020	Sep 2020	-

Lulekani Town Hall

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE
1.	Repair broken floor tiles in the hall.	Jun 2020	Jul 2020
2.	Replace damaged ceiling panels.	Jun 2020	Jul 2020
3.	Replace broken chairs in the hall.	Sep 2020	Sep 2020
4.	Painting of walls.	Jul 2020	Aug 2020
5.	Replace broken floor and wall tiles in the ablutions.	Jun 2020	Jul 2020

Lulekani Stadium

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	External Fencing with Palisade	Jul 2020	Nov 2020	To be budgeted for.
2.	Replace damaged ceiling panels.	Jun 2020	Jul 2020	-
3.	Replace broken chairs in the hall.	Jun 2020	Jul 2020	-
4.	Painting of walls.	Jul 2020	Aug 2020	-

5.	Replace broken floor and wall tiles in the ablutions.	Jun 2020	Jul 2020	-
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Municipal Lapa

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE
1.	Fixing of Kitchen units	May 2020	May 2020
3.	Fix Damaged steel gate	Jun 2020	Jun 2020
2.	Fix damaged garage timber roller door	Apr 2020	Apr 2020
5.	Replace single zinc with double and flexi tap.	Apr 2020	Apr 2020
6.	Fix leaking geyser.	Apr 2020	Apr 2020
7.	Fix skew concrete ridge	Mar 2020	Apr 2020

Main Office Building

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Rubberizing main office roof.	Jul 2020	Jul 2020	Planned for next Financial Year.
2.	Refurbishment of the carport.	Oct 2019	Mar 2020	In Progress
3.	Replacement of broken tiles.	Jan 2020	May 2020	In Progress

Traffic Department Building

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Replacement rusted roof tiles	Aug 2019	Aug 2019	Completed
2.	Replacement and maintenance of ablution facilities	Jan 2020	Feb 2020	Completed
3.	Tiling in Learners classroom	Apr 2020	Jun 2020	-
4.	Fix toilet door frames and tiles	Jun 2020	Jul 2020	-

Phalaborwa Taxi Rank

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	refurbish thatch roof for taxi rank	May 2019	Jun 2019	Completed

Flee Market

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Partition DPD office into small offices	Sep 2019	Oct 2019	Completed.
2.	Installation of lightning arrestors	Jul 2020	Aug 2020	-
3.	Installation of sliding transparent doors and roller shutter door at the markets.			RFQ Submitted.

4.	Installation of burglars on windows and doors with glazing	May 2020	Jun 2020	-
5.	Fixing of leaking toilets	Mar 2020	Apr 2020	-

Selwane TSC

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Inserting roof closures	Oct 2019	Nov 2019	Completed
2.	Paint roofing of all buildings except library	Nov 2020	Dec 2020	To be done in the next FY.
3.	Fix broken window handles and stays	Aug 2020	Aug 2020	To be done in the next FY.

Mashishimale MPCC

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Installation of steel double doors	Aug 2019	Sep 2019	Completed
2.	Re-instate fencing	Sep 2020	Oct 2020	-
3.	Fixing of broken window panes	Sep 2020	Oct 2020	-
4.	Fixing of broken barge and fascia boards	Oct 2020	Nov 2020	-
5.	Installation of new water closet in Ablutions	Oct 2020	Nov 2020	-

Lulekani Offices

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
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1.	Internal Painting of walls	Jun 2020	Jul 2020	-
2.	Floor tiling	Apr 2020	Jul 2020	-
3.	Replace damaged floor skirtings.	Jul 2020	Aug 2020	-

Gravelotte Offices

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Installation of Palisade fence			To be budgeted for.

Lulekani Archives

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Installation of palisade fence	Sep 2019	OCT 2019.	50% of the works has been completed, the other remaining will be implemented in Sep 2020.

Bollanoto Offices

ITEM	MAINTENANCE REQUIRED	START DATE	END DATE	STATUS
1.	Replacement and maintenance of ablution facilities	Jul 2020	Aug 2020	-
2.	Installation of sliding door	Dec 2019	Jan 2020	-
3.	Fix loose WHB and Zink	Jul 2020	Aug 2020	-

4.	Fix damaged thatch, install chicken mesh on the ridge.	Aug 2020	Sep 2020	-
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- We note the challenges reported about aged infrastructure which was reported since the 2015/2016 Annual Reports. What plans do you have to address aging roads infrastructure and maintenance?
- The Municipality is currently being assisted by Palobora Mining Company (PMC) and Foskor Mine, which PMC Mine is currently rehabilitating streets in town, Lulekani and Namakgale. PMC has managed to rehabilitate 800m of road in Molengraaf Street which was completed in February 2020. The mine is currently rehabilitating Park Street in Town (1.2 km length of road) and Oliver Tambo Street in Lulekani which is 3km in length.
- Foskor mine has a team of pothole patching and sealing of streets which also assist the Municipal team with the road routine maintenance. The Department is currently on a verge of sourcing and requesting funds from DBSA, Human settlement development grant and other related grants to assist the Municipality in reducing the backlog of the aged road infrastructure which some of the funds will assist in road rehabilitations and implementation of new infrastructure projects.
- Why are internal gravel / untarred roads in the Municipal area not graded? What plans do you have to correct this?
- The Municipality has two Graders and a Programme of blading the streets and attending to special events as per the requests. On weekly basis, the grader is allocated to wards as per the Blading programme where the graders will be blading internal streets which are rough and uneven and on Thursdays and Fridays the graders are allocated for Funerals and special events to create desirable access. The Programme is affected by the continuous

breakdowns of the Graders which most of the break downs takes time to be fixed. The Municipality has a Pool of Plant hire where some of the services are requested from the Pool.

- We observed that street lights and high mast lights are not working in most areas of the Municipality. Why are this street lights and high mast lights not working?

Lights are not working due to the possible failure of one of the following components:

- Luminaire.
- Cable
- Photocell
- Contactor

Failure of any one of these components will lead to lights being off.

- What are your plans to address this?
 - In town the luminaires were replaced with high performance LED luminaires, and during the 20/21 FY the same will be done on high mast luminaires.
 - All other maintenance will be done as per available manpower, spares, material and vehicles, which all are a challenge at the moment.
 - To assist with manpower, vacancies need to be filled, as there is only one Street light attendant appointed.
- What is the progress report on the service provider that was appointed to maintain the streets and high mast lights?
 - There is no Service provider appointed as yet, Due to the fact that the contract amount will exceed R200 000, therefore a tender need to be issued. If the existing challenges be mitigated, the Electrical Section can attend to the issues by themselves.

- In terms of the Annual Performance Report, we note that the Municipality spend 100% and received additional R15 million on MIG. Was this funds used effectively in compliance with the grants conditions?
- Yes, all grant conditions were met.
- And what was the spending levels?
- 91.4% of the overall allocation plus additional funding (R42 460 486.54 of R46 437 000.00)
- If there was underspending on grants provided for service delivery, what is the reason for underspending and what recommendation have been provided to improve performance?
- Additional funding allocated to projects was not fully spent due to slow production rate by the contractors and suppliers.

Municipal Managers Overview:

1. The Accounting Officer indicated 14 key challenges for the 2018/19 financial year, almost all the challenges indicated here are the same addressed in the 2017/18 financial year

- In the 2017/2018 oversight on Annual Report, you indicated that the challenge of revenue collection will be resolved from 01 June 2018 and the challenge is also reported in the 2018/2019 Annual Report where performance of 2% is reported. The performance reported indicates that your plans to use debt collectors did not work, what other plans do you have in place to resolve this matter?
- To call of the heirs and the beneficiaries of deceased debtor or account holders to claim the account and take responsibility.

- Are you effectively implementing credit control policy?
 - No we are not effectively implementing in Namakgale and Lulekani Townships.
 - What impact does the implementation have on collection?
 - We are not collecting enough in Lulekani and Namakgale.
 - Implementation of revenue enhancement strategy is not new, what will make it work now and what was its impact in the past 3 years?
 - The strategies are being implemented and we report to council on every council through our revenue management reports the challenges. The impact will be low revenue creations and low revenue collections
- Audit Report by AG

Question 1

Property, Plant and Equipment (Paragraph 3-6)

AG reported the following findings in relation to Property, Plant and Equipment:

- The Municipality did not review the residual values and useful lives
 - Some physical assets could not be confirmed
 - Number of property plant and equipment not recorded in the accounting records and financial statements.
 - No impairment assessment conducted
1. In the 2017/2018 Audit report, we recognised that there were no findings in relation to PPE. What caused this findings in the 2018/2019 financial year?
- The fact that we have to bring back the land on Property, Plant and equipment and land inventory and land investment property.
 - The impairment on the roads and Buildings and the.
 - The Municipality did not review the residual values and useful lives

2. What was done last financial year which could not be done in the 2018/2019?

- The land inventory and land PPE and Land investment property was removed from Annual Financial Statement and was not counted.

3. What plan do you have in place to ensure that this finding are resolved and will not recur?

- To appoint the consultants to assist with the review of residual values and useful lives.

4. What lead to assets not being traced whilst assets verifications were conducted?

- The wrong locations on the GIS coordinates as per assets register could lead to wrong locations.

5. Why were assets not recorded in the Municipal records whilst we have appointed officials dealing with assets and assets management consultants were also appointed to assist?

- The assets were never registered as such even in our valuation roll and even through deeds we could not get full information's due to little time that we had for preparations of assets register.

6. Why was the impairment assessment not conducted?

- The full information could not be provided it was based on potholes and the cracks on the building walls and some assets were brought to council to be written off be removed from the assets register however council is still awaiting MPAC advices on them

7. Who was supposed to conduct the impairment assessment?

- The Assets Manager and the chief Financial Officer assisted by assets management consultants.

8. What corrective measure have been taken to address all this findings?

- To appoint the consultants to assist on time.

Question 2

Inventories

Paragraph 7 of the AGs report in the accounting records and financial statement of the municipality are properties that do not belong to the municipality and those owned by private individuals amounting R11 740 402 that were Incorrectly recognized as land inventories. Inventory stated at R252 543 366 was overstated by the above amount.

1. Why are the properties not belonging to the Municipality recognized as land inventories in the Municipal records?

- On the fact that we own them through donations from sector departments.

2. For properties donated to the Municipality, how far is the conveyancing process to transfer this asset to the Municipality?

- The conveyancer has completed the process of transferring Namakgale -D and the transfer of Namakgale -C is in process.

3. The Municipality has been facing challenges in relation to land illegally occupied. How far is the process to resolve this challenges?

- We are raising money by selling sites. We requested Municipality to ring-fence the money and with this money we will earmark those areas for formalization e.g. Namakgale IA, Lulekani IA etc.

Question 3

Payables from exchange transactions

Paragraph 8

Unexplained difference of R114 030 495 between the underlying records and the AFS on the Mopani District Municipality (Water and Sanitation) account balance.

1. In the 2017/2018 the AG raised a finding on differences between BPM and MDM records for water and sanitation and you indicated

that reconciliations are done monthly, why is this matter not resolved this year?

- This is not the same matters our reconciliation of Annual Financial statement and reconciliations is balancing this between the Mopani AFS and the reports and our AFS, Mopani should fix it not Ba-Phalaborwa .We are happy about our schedule and the balance presented.

2. Last year you indicated that you will seek assistance from COGSTA, National Treasury and SALGA by 30 April 2018, did you get the assistance? If no, why? And if yes why is the finding still not resolved?

- There was no need for assistance since we understand our records and we performed the reconciliations as required.

3. What different corrective measures have been put in place to resolve this matter?

- Mopani District Municipality place the administrator to reconcile and compile the POE to validate the Balances.

4. When will the corrective measures be implemented?

- Started at the Beginning of March

Question 4

Other income

Paragraph 9

According to AG report the municipality does not have adequate systems in place to identify and record revenue.

1. What caused the incorrect classification of service charges, property rates and interest charge?

- No historical information wrong Journal were previously passed.

2. Who is the responsible official?

- We do not know in history we had two Chief Finance Officers were responsible for it but we cannot point the exact one.

3. What corrective measures have been put in place to ensure that this finding does not recur?

- The Journals should be reviewed by Acting revenue manager and Chief finance officer to eliminate mistakes

4. When will this be corrected?

- When MPAC recommends to council about the item already submitted and council approves the write up as per CFO item to council submitted.

Question 5

Cash flow

Paragraph 10

The cash flow statement according to AG is not the true reflection of cash flow from operating and investing activities.

1. Why was the cash flow statement not prepared in terms of GRAP 2?

- We are not aware of that, what we know is that we have complied with the statement of GRAP.

2. This finding was raised also in the 2017/2018, why is it not resolved?

- It was resolved according to our workings

3. What corrective measures different from last year have you put in place?

- To write to AGSA and understand exactly where they are saying we did not comply and check why their working is different from ours.

Question 6

Irregular Expenditure:

Paragraph 11 & 12

During 2017/18 financial year, the municipality made payments in contravention of supply chain management requirements, resulting in irregular expenditure of R7 770 280 and also irregular expenditure of R6 376 993

1. In relation to the adjustment made on irregular expenditure, is the supporting documents available now to support the adjustment?

- Yes.

2. To what degree has section 32 of the MFMA been complied with in respect of irregular expenditure in the current and prior years?

- Reports for Irregular Expenditure for determination of whether the money is recoverable or not is still with MPAC to determine further actions.

3. What was the root cause of the expenditure in each instance?

- Separate reports will be provided.

4. What plans does the Municipality have to cap irregular expenditure?

- To keep to dates with new regulations and ensure compliances.

5. Most irregular expenditure is identified by AG. Why is this?

- Because of ever changing legislations and the updates.

6. Does the Municipality have controls to identify irregular expenditure before AG identifies them?

- Yes, we have and used it last years except for some cases raised as per the new regulations.

7. Who is the responsible official who committed misconduct as defined in section 171 of the MFMA?

- No one was determined so far by Accounting officer or MPAC.

8. Was this expenditure reported to the relevant authorities?

- Yes.

Question 7

Unauthorized Expenditure

Paragraph 18

Note 54 of the AFS indicate that the municipality incurred Unauthorized expenditure of R99 659 596 due to overspending of the budget.

1. Last year the AG raised findings on unauthorised expenditure and you indicated that you will increase the budget for non-cash items as a remedy? Why is the findings raised again in this current year?

- The Budget was unfunded and we had to cut such increased budget in order to be have funded budget.

2. What controls different from last year do you have in place to ensure that this finding does not recur?

- To sell or audit all the movable assets that are impaired and buy new assets.
- To do a search of deceased debtors and recommend the change of account holders to reduce the impairment of debtors. Reconciliations of documents and reliance on the section 71 reports.
- Monthly reporting of prohibited expenditure to council and to audit committee.
- Ensure that the Budget is funded and covers non-cash items.
- Ensure that suppliers are paid on time before charging penalties and interest on the long overdue invoices.

3. What plans has the Accounting Officer put in place to ensure that internal control within the municipality is improved to encourage in-year detection of non-compliance with laws and regulations and the UIFW expenditures?

- Reconciliations of documents and reliance on the section 71 reports.
- Ensure that the Budget is funded and covers non-cash items.

- Ensure that suppliers are paid on time before charging penalties and interest on the long overdue invoices.

4. Was the expenditure reported to relevant authorities?

- Yes, we reported to MEC of COGHTA and Treasury and Auditor General.

Procurement and Contract Management

1. Why was the minimum threshold for local content not stipulated on some of the bid documentations of procurement of commodities?

- The form was not provided for the declarations by services providers and some of the provided we were not even aware of what was required for such declarations.

2. What controls did you put in place to detect and prevent SCM role players and their partners to participate in the awarded contract?

- The use MBD 4 FORMS and reconciliations between CSD and also the true supply of information by directors is needed.

Audit of Performance Information

1. The Auditor General raised findings on indicators for electricity which differed with the Municipality indigent register and some could not be supported. What corrective measures do you have in place to ensure that there is credible POE to support KPIs?

- Indigent Register is administered by BTO, and as such the Technical Department has no input in it. The Technical Department only report on it as part of the INEP report to Mopani District Municipality, and information is supplied by BTO.

2. What causes the difference between the reported figure of 3867 households receiving free basic electricity and 1579 households list that was audited by the AG?

- BTO to explain

3. Why was the AG given payment certificates to the value of R20 452 784 but actual reported as R16 161 071?

- The department acknowledges the error that occurred during reporting which was not accurate and complete.

4. Who was the official responsible?

- Chief Financial Officer

5. What corrective measures are put in place to correct this findings?

- The Department will develop and implement Monthly Tracking system which will ensure accurate reporting.

6. The AG findings indicates that valid documents could not be provided to support KPIs on cemeteries, road blocks, and rehabilitation of landfill sites and maintenance of parks. What corrective measure have you put place to review this KPIs to be verifiable?

- The findings were that there were no signatures of the Supervisor, the Manager, and the Senior Manager on the reports to validate them. This has been resolved with the three former mentioned supra now signing the reports

7. By when will this KPIs be reviewed?

- The KPI's were reviewed on the 16 March 2020 during the SDBIP review.

8. Why did the Municipality report 3148 households receiving free basic waste removal services whilst the POE reflected 1579 households?

The discrepancies in the figures of households receiving free basic waste removal services against the POE is caused by the allocation of new stands by the tribal authorities in the rural areas where waste is collected with the municipality oblivious of the situation.

The action taken is that the individual household counts are conducted against every stand where the waste is collected

9. Last year the AG raised findings on supporting evidence for jobs created through capital projects. Why is this finding not resolved this year?

- Municipality does not have an appointed EPWP co-ordinator to enforce submission of complete and valid data

10. What controls have you put in place to ensure that adequate supporting documents is kept to support jobs created?

- Data collection template have been revised and improved to include all the required data.

11. Why was performance assessments not conducted for evaluation of performance of senior managers?

- Because of delays by Senior Management to populate their score cards and submitting of the relevant POE'S to the PMS Officer

12. Who is the responsible official to ensure that assessments are conducted?

- Municipal Manager

13. When will the assessments be conducted?

- 31 March 2020

14. What corrective measures were put in place to prevent this non-compliance from recurring?

- The ideal situation is to have an electronic PMS funds permitting

THE END

	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
	FINANCIAL MATTERS						
1.	The annual financial statements [AFS] for the municipality and, if applicable, consolidated statements [with all entities] as submitted to the Auditor General.	Where the municipality has sole or effective control of a municipal entity, consolidated financial statements are required. The AFS are to be in the form as required by the applicable accounting standards. MFMA Circular 18 with annexures, 23 June 2005, provides guidelines on the new accounting standards for municipalities.	<i>Have the required standards been met – refer audit report and report of audit committee for views on this?</i> <i>[Applies also to AFS of municipal entities].</i>	Yes		Committee satisfied and AG comments and the opinions in this regard were also noted	Approved with reservation
2.	The Auditor General's report on the financial statements of the municipality and the entity		<i>Is the audit report included in the annual report as tabled?</i> <i>When will the audit report be tabled?</i> <i>What are the causes for the delays?</i> <i>What actions are being taken to expedite the report?</i>	yes			Approved
3.	Any explanations that may be necessary to clarify issues in connection with the financial statements.	The accounting standards require that notes accompany the statements to provide explanations of issues and matters reported. Refer also points below on information in notes to AFS.	<i>Taking into consideration the audit report and the audit committee comments, is sufficient explanation of financial issues contained in the notes to the statements?</i>	Yes			Approved

4.	An assessment by the accounting officer on any arrear on municipal taxes and service charges, including municipal entities.		<p><i>Has an adequate assessment been included?</i></p> <p><i>[Applies to AFS of municipal entities].</i></p> <p><i>Is there sufficient explanation of the causes for the arrears and of actions to be taken to remedy the situation?</i></p> <p><i>Is any other action required to be taken?</i></p>	yes			Approved reservation. with
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	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
5.	Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports	<p>The conclusions of the annual audit may be either –</p> <ul style="list-style-type: none"> - an unqualified audit opinion with or without management issues, which means that the financial statements are acceptable; - a qualified audit opinion setting out reasons for qualification, which means that certain issues need to be addressed before an unqualified opinion can be achieved; or - the auditor will disclaim the statements and not offer an opinion. In this case there may be serious financial issues to be addressed. The objective of the municipality should be to achieve an unqualified audit opinion. 	<p><i>Taking into account the audit report, audit opinion and the views of the audit committee, council should consider:</i></p> <p><i>To what extent does the report indicate serious or minor financial issues?</i></p> <p><i>To what extent are the same issues repeated from previous audits?</i></p> <p><i>Is the action proposed considered to be adequate to effectively address the issues raised in the audit report?</i></p> <p><i>Has a schedule of action to be taken been included in the annual report, with appropriate due dates?</i></p>	No		There is no action plan attached.	Approved with reservation
6.	An assessment by the municipality's accounting officer of the municipality's performance against measurable performance objectives for revenue collection from each revenue source and for each vote in the approved budget	The budget of the municipality must contain measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the IDP (MFMA s17(3)(b)). The accounting officer must include these objectives in the annual report and report on performance accordingly. Council should	<p><i>Has the performance met the expectations of council and the community?</i></p> <p><i>Have the objectives been met?</i></p> <p><i>What explanations have been provided for any non-achievement?</i></p>	Yes			Approved

		comment and draw conclusions on performance and explanations provided.	<i>What was the impact on the service delivery and expenditure objectives in the budget?</i>				
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	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
7	An assessment by the municipal entity's accounting officer of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and the municipality	Agreements between the municipality and its entities for service delivery are to include measurable performance objectives. This will include measures of services delivered to the community, financial targets, expenditure targets etc. The entity's annual report must include an assessment by the accounting officer, of performance against these objectives. In order to show the linkage between the entity and the municipality, the report of the municipality should also include the performance of entities. Council should comment and draw conclusions on performance and explanations provided.	<p><i>Has the performance met the expectations of council and the community?</i></p> <p><i>Have the performance objectives been met?</i></p> <p><i>What explanations have been provided for any non-achievement?</i></p> <p><i>What was the impact on the service delivery and expenditure objectives in the budget?</i></p>	Yes			Approved
8.	Any information as determined by the municipality, the entity or its parent municipality	<p>Review any other information that has been included in regard to the AFS.</p> <p>The above applies also to the AFS of municipal entities.</p>		Yes		Additional information provided	Approved
9.	Recommendations of the audit committee in relation to the AFS and audit	Conclusions on these recommendations and the actions required	<i>Have the recommendations of the audit committee with regard to the AFS been</i>	Yes			Approved

	reports of the municipality and its entities	should be incorporated in the oversight report.	<i>adequately addressed by the municipality and/or the entity?</i> <i>What actions need to be taken in terms of these recommendations?</i>				
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	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
	ALLOCATIONS RECEIVED AND MADE						
10.	Allocations received by <u>and</u> made to the municipality	<p>The report should disclose:</p> <ul style="list-style-type: none"> - Details of allocations received from another organ of state in the national or provincial sphere. - Details of allocations received from a municipal, entity or another municipality. - Details of allocations made to any other organ of state, another municipality or a municipal entity. - Any other allocation made to the municipality under Section 214(1)(c) of the Constitution. Council should comment and draw conclusions on information and explanations provided. 	<p><i>Have these allocations been received and made?</i></p> <p><i>Does the audit report confirm the correctness of the allocations received in terms of DORA and provincial budgets?</i></p> <p><i>Does the audit report or the audit committee recommend any action?</i></p>	Yes			Approved
11.	Allocations received <u>and</u> made to the municipal entity	<p>The report should disclose:</p> <ul style="list-style-type: none"> - Details of allocations received from any 	<p><i>Have these allocations been received and made?</i></p> <p><i>Does the audit report confirm the correctness of the</i></p>	Yes			Approved

		<p>municipality or other organ of state.</p> <ul style="list-style-type: none"> - Details of any allocations made to a municipality or other organ of state. <p>Other information as may be prescribed.</p> <p>Council should comment and draw conclusions on information and explanations provided.</p>	<p><i>allocations received in terms of DORA and provincial budgets?</i></p> <p><i>Does the audit report or the audit committee recommend any action?</i></p>				
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	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
12	Information in relation to the use of allocations received	<p>Section 123 of the MFMA and MFMA guidance circular 11, require that the municipality provide information per allocation received per vote and include:</p> <ul style="list-style-type: none"> - The current year and details of spending on all previous conditional grants, for the previous two financial years. Information is to be provided per vote. (For example, municipalities must report on all transfers received from provincial housing departments for housing subsidy grants for three financial years, and indicate how such funds were spent, and for what projects. - Information stating whether the municipality has complied with the conditions of the grants, allocations in terms of section 24(1)(c) of the Constitution and allocations received 	<p><i>Council should be satisfied that –</i></p> <ul style="list-style-type: none"> - <i>the information has been properly disclosed;</i> - <i>conditions of allocations have been met; and</i> - <i>that any explanations provided are acceptable.</i> 	Yes			Approved

		from other than another organ of state. Where there is non-compliance, details of the reasons for non-compliance are to be provided.					
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	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
		<p>-Information on whether allocations under the DORA were delayed or withheld and the reasons advanced for this.</p> <p>This information is required on all allocations excluding the municipality's portion of the equitable share and where prescribed otherwise by the nature of the allocation.</p> <p>The Auditor-General will ensure that the audit process includes a proper assessment (and reconciliation) on all national grants received by a municipality. Council should consider this aspect of the audit report and comments by the audit committee on the use of allocations received.</p> <p>The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.</p>					

	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
13	Information in relation to outstanding debtors and creditors of the municipality and entities	<p>Municipalities and entities are reminded of the requirement to include, in their annual financial statements, amounts owed to them and persistently delayed beyond 30 days, by national or provincial departments and public entities.</p> <p>It is also a requirement to report on whether the municipality or entity has met its statutory commitments, including the payment of taxes, audit fees, and contributions for pension and medical aid funds.</p> <p><i>Council should be satisfied that –</i></p> <ul style="list-style-type: none"> - <i>the information has been properly disclosed;</i> - <i>conditions of allocations have been met; and</i> - <i>also that any explanations provided are acceptable.</i> <p>The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and</p>		Yes			Approved

		appropriateness of this information.					
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	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
	DISCLOSURE IN NOTES TO AFS	CONSIDERATIONS RELATING TO SECTION 124					
14	Information relating to benefits paid by municipality and entity to councillors, directors and officials	<p>Information on the following items is to be included in the notes to the annual report and AFS:</p> <ul style="list-style-type: none"> • salaries, allowances and benefits of political office bearers, councillors and boards of directors, whether financial or in kind; • any arrears owed by individual councillors to the municipality or entity for rates and services, which at any time were outstanding for more than 90 days, including the names of councillors; • salaries allowances and benefits of the municipal manager, CEO of a municipal entity, CFO and every senior manager; <p>contributions for pensions and</p>		Yes		Information accurate.	Approved

		medical aid; travel, motor car, accommodation, subsistence and other allowances; housing benefits and allowances; overtime payments; loans and advances, and; any other type of benefit or allowance related to staff.					
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	Information required to be included in annual reports	Council Considerations	Questions	Is the required information included in the Annual Report? YES / NO	If the answer is NO – [questions/requirements]	Comments from the members of the Oversight Committee	Decision of the Committee? APPROVE / APPROVE WITH RESERVATIONS / REJECT / REFERRED BACK FOR REVISIONS
		<p><i>Council should be satisfied that –</i></p> <ul style="list-style-type: none"> • <i>the information has been properly disclosed;</i> • <i>conditions of allocations have been met; and</i> • <i>that any explanations provided are acceptable.</i> <p>The comments of the Auditor-General and the views of the audit committee should be used to determine the accuracy and appropriateness of this information.</p>					
	MUNICIPAL PERFORMANCE						
15	The annual performance reports of the municipality and entities	<p>Section 46, MSA requires municipalities to submit a performance report</p> <p>reflecting the performance of the municipality and each service provider, a comparison of the performance with targets set for the previous year and measures taken to improve performance. The report must form part of the annual report. Questions that</p>	<p><i>Has the performance report been included in the annual report?</i></p> <p><i>Have all the performance targets set in the budgets, SDBIP, service agreements etc, been included in the report?</i></p> <p><i>Does the performance evaluation in the annual report compare actual performance with targets expressed in the budgets</i></p>	Yes		<p>The reports are included.</p> <p>Backlogs are reduced in a slow phase.</p> <p>Customer Satisfactory Survey results shows that the municipality is performing very well.</p>	Approved

		<p>may be considered are [next column].</p> <p>Council should comment and draw conclusions on information and explanations provided.</p>	<p><i>and SDBIP approved for the financial year?</i></p> <p><i>In terms of key functions or services, how has each performed? Eg. have backlogs for water, sanitation and electricity been reduced? What are the refuse collection volumes, library usage statistics etc?</i></p> <p><i>To what extent has performance achieved targets set by council?</i></p> <p><i>Is the council satisfied with the performance levels achieved?</i></p> <p><i>Is the community satisfied with performance? Has a customer satisfaction survey been undertaken and, if so, how do the results align with the annual report contents? What were the outcomes of public consultation and public hearings?</i></p> <p><i>What actions have been taken and planned to improve performance?</i></p> <p><i>Is the council satisfied with actions to improve performance?</i></p>			<p>Council resolutions are not implemented.</p>	
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			<p><i>Did the targets set in the budgets, SDBIP agree with the targets set in the performance contracts of the municipal manager and each senior manager?</i></p> <p><i>Does the report evaluate the efficiency of mechanisms applied to deliver the performance outcomes?</i></p> <p><i>Taking into account the audit report and opinion and the views of the audit committee, is performance considered to be efficient and effective?</i></p> <p><i>To what extent have actions planned for the previous year been carried over to the financial year reported upon?</i></p> <p><i>Have any actions planned in the reported year been carried over to the current or future years? If so are any explanations been provided by the municipal manager and are these satisfactory?</i></p>				
16	Audit reports on performance	Section 45, MSA requires that the Auditor-General must audit the results of performance measurements, as part of the internal auditing processes and annually.	<p><i>Have the recommendations of internal audit been acted on during the financial year?</i></p>	Yes		The recommendations by internal audit are partially implemented.	Approved

			<i>Have recommendations by internal audit and/or the auditor-general been included in action plans to improve performance in the following year?</i>			The information of action plan on auditor general recommendations.	
17	Performance of municipal entities and municipal service providers	<p>The annual report of the municipality should provide an assessment of the performance of the municipal entities and all contracted service providers. This is in addition to the separate annual reports of the entities.</p> <p>The report should evaluate the effectiveness of these services and whether alternative mechanisms should be considered.</p>	<p><i>Is the council satisfied with the evaluation and conclusions of the municipality?</i></p> <p><i>What other actions are considered necessary to be taken by the accounting officers?</i></p>	Yes			Approved
18	For municipal entities – an assessment of the entity's performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and municipality	<p>This is the separate report of the municipal entity and should contain details of service delivery agreements with the municipality and the performance measures therein.</p> <p>Council should consider similar issues to that outlined above for municipal performance to</p>	<p><i>To what extent were the objectives and performance measures of the entity aligned to the overall strategic objectives of the municipality and its IDP?</i></p> <p><i>Is the report of the municipal entity consistent with the conclusions on</i></p>				

		determine a view on the performance of municipal entities.	<i>performance evaluation by the municipality?</i> <i>What specific actions should be taken by the entity and the municipality to improve performance?</i>				
	GENERAL INFORMATION	THE FOLLOWING GENERAL INFORMATION IS REQUIRED TO BE DISCLOSED IN THE ANNUAL REPORT.					
19	Relevant information on municipal entities	The municipality should disclose all information relating to the municipal entities under the sole or effective control of the municipality. Information to be disclosed includes names and types of entities, members of the board, addresses and contact details for entities, the purpose of the entity, the functions and services provided, the type and term of service level agreements with the entities.		No		No information was provided	Reject
20	The use of any donor funding support		<i>What donor funding has the municipality received?</i> <i>Have the purposes and the management agreements for the funding been properly agreed upon?</i>	Yes			Approved

			<p><i>Have the funds been used in accordance with agreements?</i></p> <p><i>Have the objectives been achieved?</i></p> <p><i>Has the use of funds been effective in improving services to the community?</i></p> <p><i>What actions need to be taken to improve utilisation of the funds?</i></p>				
21	Agreements, contracts and projects under Private-Public-Partnerships	Information similar to the details of municipal entities should be provided. Council should ensure that all details have been supplied.		Yes		Information provided is silent.	Approved with reservation
22	Service delivery performance on key services provided	<p>This may be a high level summary, in addition to detailed information on performance, which sets out overall performance under the strategic objectives of the municipality.</p> <p>Overall results on the strategic functions and services should be summarised.</p> <p>This should cover all services whether provided by the municipality,</p>		Yes		There is no report provided in terms of service delivery performance on key service provided	Approved

		<p>entities or external mechanisms.</p> <p>Council may draw conclusions on the overall performance of the municipality.</p> <p>This information may be found in an executive summary section of the annual report and or in statistical tables.</p>					
23	Information on long-term contracts	<p>Details of all long-term contracts including levels of liability to the municipality should be included. Council should ensure all information is correctly supplied.</p>		Yes			Approved
24	Information technology and systems purchases and the effectiveness of these systems in the delivery of services and for ensuring compliance with statutory obligations	<p>Details of significant IT activities should be outlined indicating the effectiveness of the IT projects and the quality of IT services.</p> <p>Council should consider how effectively the IT services support and facilitate performance of the municipality and whether value for money has been obtained.</p> <p>Details of any future IT proposals should be summarised.</p> <p>Council should comment and draw conclusions on the</p>		Yes			Approved

		information provided.					
25	Three year capital plan for addressing infrastructure backlogs in terms of the Municipal Infrastructure Grant [MIG] framework	<p>A summary of the long-term capital plans and how these address the backlogs of services in the municipality should be provided.</p> <p>This should include details of types and scale of backlogs, projected cost implications, strategies to address the backlogs and plans proposed and/or approved.</p> <p>The summary here should cross reference to the performance reports in the annual report and also will be highlighted in the coming budgets.</p> <p>Council should consider whether the plans appropriately address the backlogs and are consistent with the strategic policy directions of council and needs of the community.</p>		Yes			Approved
		OTHER CONSIDERATIONS RECOMMENDED					
26	Timing of reports		<p><i>Was the report tabled in the time prescribed?</i></p> <p><i>Has a schedule for consideration of the report been adopted?</i></p>	Yes			Approved
27	Oversight committee or other mechanism		<i>What mechanisms have been put in</i>	Yes			Approved

			<p><i>place to prepare the oversight report?</i></p> <p><i>Has a schedule for its completion and tabling been adopted?</i></p>				
28	Payment of performance bonuses to municipal officials	<p>Refer to Section 57 MSA as amended. Bonuses based on performance may be awarded to a municipal manager or a manager directly accountable to the municipal manager after the end of the financial year and only after an evaluation of performance and approval of such evaluation by the municipal council. Preferably such evaluation should be considered along with the annual report. The basis upon which performance is evaluated for payment of bonuses should be reconciled with the municipal performance reported in the annual report.</p> <p>Conclusions and comments on the evaluation and payment of performance bonuses of council should be included in the oversight report.</p>	<p><i>Have bonuses been paid based on achievements of agreed outputs and after consideration of the annual report by council?</i></p> <p><i>If so has a proper evaluation of performance been undertaken?</i></p> <p><i>Was the evaluation approved by council?</i></p> <p><i>Does the performance evaluation align and reconcile with the performance reported in the annual report? If not, what reasons have been given for non-reporting of the basis of evaluation in the annual report?</i></p> <p><i>Are the payments justified in terms of performance reported in the annual report?</i></p>	Yes			Approved

BA-PHALABORWA MUNICIPALITY



PROPOSED SCHEDULE FOR CONSIDERING 2018/19 ANNUAL REPORT

Physical Address

Nelson Mandela Drive
Selati Road, PHALABORWA
1390

Postal Address

Private Bag x01020
PHALABORWA
1390

Telephone and Fax

Tel: 015 780 6300
Fax: 015 781 0726

Website: www.ba-phalaborwa.gov.za

BACKGROUND

The 2018/19 Annual Report was tabled in Council by the Honourable Mayor Cllr MM Malatji on the 30th of January 2020. According to Section 129 of the MFMA, Council has to consider the Annual Report of the Municipality, and by no later than two months from the date on which the annual report was tabled adopt an oversight report containing the Council's comments on the report.

Council has referred the Annual Report to the Municipal Public Accounts Committee (MPAC) for consideration. The MPAC is expected to probe the Annual Report and compile an Oversight Report on the Annual Report on behalf of Council. Members of the public have been invited to make representations on the Annual Report and to also express interest to participate in the MPAC committee that will be probing the report (see advert below):

Ba-Phalaborwa Municipality



NOTICE OF PUBLICATION OF THE 2018/19 DRAFT ANNUAL REPORT AND AN INVITATION OF COMMUNITY MEMBERS TO PROBE AND MAKE SUBMISSIONS

Ba-Phalaborwa Municipality has adopted its 2018/19 Annual Report during its ordinary council sitting held on the 30th January 2020. This is in line with the provisions of Section 46 (4) (a) of the Municipal Systems Act 32 of 2000 and Section 127 (5)(a) of the Municipal Finance Management Act 56 of 2003.

Copies of the 2018/19 Draft Annual Reports will be available at Ba-phalaborwa Traditional Authority Office, Mashishimale Traditional Authority Office, Maseke Traditional Authority Office, Selwane Traditional Authority Office, Phalaborwa Library, Lulekani Library, Namakgale Library, Gravelotte Library, Selwane Library, Prieska Library, Lulekani Municipal offices, Phalaborwa Municipal Offices, Namakgale Municipal Offices and Municipal Website (www.ba-phalaborwa.gov.za) as from the 7th of February 2020.

Ba-Phalaborwa Municipality's Public Accounts Committee (MPAC) will probe the 2018/19 Draft Annual report on behalf of council and present the Oversight Report on the Annual within the two (2) months to Council as per the provisions of Section 129 of the Municipal Finance Management Act 56 of 2003. Members are invited to probe and make comments on the content of 2018/19 Draft Annual Report and forward comments and written submissions to the Chairperson of MPAC at White House (47 Portgieter, Phalaborwa) or write to: The Chairperson of MPAC, Ba-Phalaborwa Municipality, Private Bag X01020, Phalaborwa, 1390. The closing date for the submission of Comments or representations on the 2018/19 Draft Annual Report is Friday the 6th of March 2020.

Any person who cannot read or write may come during office hours to the IDP and PMS Office in the Planning and Development Office, R71 Flea Market from 07h00 to 16h00.

Enquiries: **Malshilane Chueu / Malesa Elliot** at email: chueum@ba-phalaborwa.gov.za / malesam@ba-phalaborwa.gov.za
PMS Office in the Planning and Development Department, Flea Market
(Next to Nodia Garage along R71 road) from 07h00 – 16h00

MI Moakamela
Municipal Manager
Corner Nelson Mandela Road & Selati Road
Civic Centre
Private Bag x 01020
PHALABORWA
1390

NOTICE NO: 4/20

The Municipal Public Accounts Committee (MPAC) has to adopt a process plan to be followed in probing the Annual Report. The following is a draft process plan to be ratified and adopted by the MPAC.

MEETING NO.:	DATE	ACTIVITIES	?OUTPUTS / OUTCOMES / RESULT	PARTICIPANTS
1.	30/01/2020	<ul style="list-style-type: none"> Referral of Annual Report by Council to MPAC 	Comments and Clarifications.	MPAC members and MM
2.	16/03/2020	<ul style="list-style-type: none"> Public participation on the Annual Report 	<ul style="list-style-type: none"> Comments and clarifications 	MPAC Members and MM
3.	7-28/2/2020	<ul style="list-style-type: none"> Open for Public Comments 	<ul style="list-style-type: none"> Comments and Clarifications 	<ul style="list-style-type: none"> MPAC members
4.	19-21/02/2020	<ul style="list-style-type: none"> Working Session (Probing of Annual Report for written questions) 	<ul style="list-style-type: none"> Comments, Clarifications, and 	<ul style="list-style-type: none"> MPAC members
		<ul style="list-style-type: none"> Oversight Report 	<ul style="list-style-type: none"> Draft Report 	<ul style="list-style-type: none"> and MM

MEETING NO.:	DATE	ACTIVITIES	?OUTPUTS / OUTCOMES / RESULT	PARTICIPANTS
5.	27/02/2020	<ul style="list-style-type: none"> Responses from Accounting Officer on written questions. 	<ul style="list-style-type: none"> Comments and Clarifications. 	<ul style="list-style-type: none"> MPAC Researcher
6.	02/03/2020	<ul style="list-style-type: none"> Clarifications for Accounting Officer on responses. 	<ul style="list-style-type: none"> Comments and clarifications. 	<ul style="list-style-type: none"> MPAC members and MM
7.	08/03/2019	<ul style="list-style-type: none"> Mayor on Public Participation on the annual report 	<ul style="list-style-type: none"> Comments and Clarifications 	<ul style="list-style-type: none"> Mayor and MPAC Members
8.	11/3/2020	<ul style="list-style-type: none"> Considering of Public Comments with MPAC. 	<ul style="list-style-type: none"> Draft Oversight Report 	<ul style="list-style-type: none"> MPAC members and MM
9.	20/03/2020	<ul style="list-style-type: none"> Public Hearing. 	<ul style="list-style-type: none"> Copies available in all local libraries. Public Meeting. 	<ul style="list-style-type: none"> MPAC members; MM
10.	26/03/2020	<ul style="list-style-type: none"> Finalization of recommendations to Council 	<ul style="list-style-type: none"> Draft Oversight Report. 	<ul style="list-style-type: none"> MPAC Members MM
11.	31/03/2020	<ul style="list-style-type: none"> Tabling of report in Council 	<ul style="list-style-type: none"> Oversight Report 	<ul style="list-style-type: none"> MPAC Members
<u>12.</u>	06/04/2020	<ul style="list-style-type: none"> Publicizing Oversight Report (Within 7days of adoption) 	<ul style="list-style-type: none"> Copies available in all local libraries. Public meeting 	<ul style="list-style-type: none"> MM Council

MEETING NO.:	DATE	ACTIVITIES	?OUTPUTS / OUTCOMES / RESULT	PARTICIPANTS
<u>13.</u>	09/04/2020	<ul style="list-style-type: none"> Submission of Annual Report and Oversight Report to Provincial Legislature (Within 7 days of adoption of Oversight Report. 	<ul style="list-style-type: none"> Oversight Report. 	<ul style="list-style-type: none"> MM

Recommendation

That Council approves the schedule for considering the Annual report

PROJECT VIST IMAGES



Tshelang Gape to R71 road upgrade project



Tshelang Gape to R71 road upgrade project



Tshelang Gape to R71 road upgrade project



Mashishimale Sports Complex

