

MATJHABENG

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OFFICE OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE(MPAC)

OVERSIGHT REPORT BY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) ON THE 2023/2024 ANNUAL REPORT OF MATJHABENG LOCAL MUNICIPALITY

Purpose

To submit to the Council the Municipal Public Account Committee's oversight report on the 2023/2024 annual report.

Introduction

The Municipal Finance Management Act (MFMA) assign specific oversight responsibilities to the Council in respect of the annual report and the preparation of an oversight report.

The council of the municipality must consider the annual report of a municipality and of any municipal entity under the municipality's sole or shared control and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127 of Municipal Finance Management Act no. 56 of 2003, adopt an oversight report containing the council's comments on the annual report.

The Municipal Public Accounts Committee's primary role is to consider on behalf of the council the annual report, receive comments and input from various role players and prepare draft oversight report for consideration by council.

Background

The oversight role of the council is an important component of the financial reforms, and it is achieved through the separation of roles and responsibilities between council, the executive and administration. Good governance, effective accountability and oversight can only be achieved if there is a clear distinction between the functions performed by different role players.

Non-executive councillors are expected to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the executive. In other words, in exchange for powers in which council has delegated to the executive, council retain a monitoring and oversight role that there is accountability for the performance or non-performance of the municipality.

Functions of the Municipal Public Accounts Committee

- Undertake the review and analysis of the Annual Report.
- Invite, receive and consider inputs from councillors and portfolio committees, on the Annual Report.

- Consider written comments in respect of the annual report from the public consultation process.
- Conduct public hearings to allow the local community or any organs of state to make representations on the annual report.
- Receive and consider the council's Audit Committee's view and comments on the annual report.
- Preparations for the draft oversight report, taking into consideration the views and inputs of the public representatives of the Auditor General, organs of state, Council's Audit Committee and Councillors.

OVERSIGHT REPORT

Compliance issues by Municipality

1. IDP Process

The Integrated Development Plan is a five-year plan which local government is required to compile to determine the development needs of the municipality. The municipality needs to follow certain processes before adopting their IDP eg. Formation of IDP Forum, preparation of draft IDP, public participation meeting etc.

Matjhabeng Municipal Public Accounts Committee (MPAC) confirms that the IDP processes followed by the municipality conformed to statutory requirements. The draft IDP was presented to council on the 26th of March 2024 and the final IDP was adopted on the 30th of May 2023

2. Budgetary processes

The municipal budgeting process involves several key stages, from initial planning and stakeholder consultations to budget adoption and implementation as per the Municipal Finance Management Act (MFMA)

The Matjhabeng Municipal Public Accounts Committee has satisfied itself that the budgetary processes followed by the municipality conformed to statutory requirements. There were public consultations from 17th April 2023 to 04th May 2023 and the adoption of budget by council was on the 30th of May 2023.

3. Service Delivery and Budget Implementation Plan (SDBIP) Process

Matjhabeng Municipal Public Accounts Committee is satisfied that the budget and service delivery implementation plan processes did unfold properly. The SDBIP did serve before MAYCO on the 15th of June 2023 and the adjusted SDBIP was tabled to council and adopted on the 27th of February 2024.

4. Annual Report 2023-2024

The annual report was tabled to the council first on the 30th of January 2025 and council noted the report and not adopt it as it was lacking chapter 6. The complete report was then tabled to council and adopted by council on the 27th February 2025.

The report was then referred to the Municipal Public Accounts Committee. The report was publicized by placing the copies in all municipal offices, all libraries within the jurisdiction of the municipality. The report was also on the website of the municipality. Attached is proof of all notices made in that regard.

The Municipal Public Accounts Committee on its meeting held on the 13th of March 2025 adopted the schedule of both the public participation and the departmental interrogations on Auditor General's report.

PUBLIC PARTICIPATION

The schedule of Public Participation meetings is attached as **Annexure A**. Matjhabeng Local Municipality has 6 (six) units (towns), being Allanridge/Nyakallong, Odendaalsrus/Kutloanong, Hennenman/Phomolong, Ventersburg/Mmamahabane, Welkom/Thabong and Virginia/Meloding



MPAC SCHEDULE &
ATTENDANCE REGIST

Odendaalsrus/Kutloanong meeting dated 19th of March 2025

The meeting was held at Kutloanong Community Hall. Attendance was fair. The Auditor General's report was outlined to the public and there after the community was afforded the opportunity to raise their questions, inputs and comments on the report. All questions, comments and inputs from that meeting are attached as **Annexure B**. The attendance registers are also attached.



MINUTES HELD ON
19 MARCH 2025 (INTI

Hennenman/Phomolong meeting dated the 20th of March 2025

The meeting was held at Hennenman Town Hall. Attendance was very poor, but the meeting continued. The Auditor General's report was outlined. The community. raised their questions, inputs and comments are attached as attendance registers are attached as **Annexure C**.



MINUTES OF THE
PUBLIC PARTICIPATIO

Ventersburg/Mmamahabane meeting dated the 24th of March 2025

The meeting was held at Vetersburg Town Hall. Attendance was good. The Auditor General's report was again tabled and outlined for the community. The same approach as the first two meetings was followed. Questions, inputs and comments were raised and the same as attendance registers are attached as **Annexure D**.



MINUTES OF THE
PUBLIC PARTICIPATIO

Allanridge/Nyakallong meeting dated the 25th of March 2025

The meeting was held at Mokhothu Primary School Hall. The attendance was fair. The meeting started well only to be disrupted by some youths in that community. They forced the community out of the hall. To safeguard the school's property the chairperson had to end the meeting. The community did not have a chance to raise questions, inputs or comments. The only attachment for this meeting was the attendance register, and pictures attached as **Annexure E**.



PICTURES.docx

Welkom/Thabong meeting dated 27th of March 2025

The meeting was held at Thabong Community Centre. Attendance was fair. The Auditor General's report was outlined to the community and there after they afforded the opportunity to raise their questions, inputs and comments to the report, (see attached) **Annexure F**.



MINUTES OF THE
PUBLIC PARTICIPATIOI

Virginia/Meloding meeting dated 28th of March 2025

The meeting was held at Meloding Indoor Sports Centre. Attendance was fair. The Auditor General's report was outlined to the public. The community was given the chance to ask questions, gave inputs and comments to the report. (see attached) **Annexure G**.



MINUTES OF THE
PUBLIC PARTICIPATIOI

INTERROGATIONS (DEPARTMENTAL)

The schedule of all departmental interrogations is attached as **Annexure H**. Matjhabeng Local Municipality has the following departments:

- 1) Human Settlements and Planning
- 2) Infrastructure

- 3) Community services and Public Safety
- 4) Local Economic Development
- 5) Finance
- 6) Corporate Services
- 7) Strategic Support Services

The above departments were all interrogated by Municipal Public accounts Committee (MPAC) of their performance as per the Auditor General's report. Minutes of those meetings are attached as Annexure G

Audit Committee

Municipal Public Accounts Committee requested the Matjhabeng Auditor Committee to give views on the annual report of 2023/24 financial year and the view of the Audit Committee. (See attached Annexure I)

RECOMMENDATIONS

The Municipal Public Accounts Committee recommend as follows:

1. That council adopt the Annual Report of 2023-2024 financial year without reservations
2. That council must enhance accountability and consequence management on underperforming officials
3. Monitoring and evaluation of projects be enhanced from the beginning to the end of the project.
4. The Accounting Officer should present to council a plan to address all concerns raised by Auditor General of South Africa in the annual report and councilors during the departmental interrogations.
5. The Accounting Officer must prioritize all the basic services' concerns raised by the community during public participation meetings.
6. The Accounting Officer to develop and implement the corrective budget tools to curb the underspending in terms of Grants and overspending in terms of Votes.
7. In the Supply Chain Management, the Accounting Officer must develop and implement contract management tools to curb the overpayment in expired contracts, this will also reduce the irregular expenditure.
8. The Accounting Officer must approve the consolidated procurement plan to ensure that all the operational and infrastructure projects are successfully completed within time frame allocated.
9. The Accounting Officer must ensure that while the debt collection service providers are procured within the municipality, the revenue unit is capacitated with both skilled and warm bodies.
10. The Executive Mayor and the Accounting Officer to ensure that MPAC meetings are prioritized over all other meetings except for Council meeting.

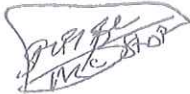
11. The Accounting Officer must develop a plan to fill all key positions in the service delivery departments.
12. Issues of litigations must be reported monthly to MPAC and quarterly to the council.
13. Water meters should be prioritized and installed to all households to curb estimations on water consumption.
14. The office of the Accounting Officer must in future summarize and simplify the Auditor General's report and it must be in all languages adopted by Matjhabeng Local Municipality
15. The Oversight report must within seven (7) days after adoption by the council be sent to Treasury, COGTA and SALGA.



CLLR THELINGOANE

MPAC CHAIRPERSON

07 MAY 2025



CLLR STOFIE

SPEAKER

07 MAY 2025