



MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

OVERSIGHT REPORT - 2020/2021

March 2022

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10 March 2022

Witzenberg Municipal Council
Voortrekker Street
Ceres
6385

Dear Madame Speaker Mouton

1. Purpose

The purpose of this communication is to report to Council the result on the Witzenberg Municipal Public Accounts Committee (MPAC) oversight review of the Witzenberg Annual Report for 2020/2021 and to enable Council to discharge its oversight responsibility in considering the Witzenberg Municipality's Annual report for 2020/2021 in terms of Section 129 of the Municipal Finance Management Act, no 56 of 2003 (MFMA).

2. Legal requirements

In terms of Section 129 of the MFMA, the Council must adopt an Oversight Report containing the Council's comments on the annual report which must include a statement whether the Council –

- (a) has approved the annual report with or without reservations;
- (b) has rejected the annual report; or
- (c) has referred the annual report back for revision of those components that can be revised.

In terms of the MFMA Circular Number 32, in order to approve the Annual Report without reservations, Council should be able to agree that the information contained in the report is a fair and reasonable record of the performance of the municipality in the financial year reported upon.

Approval means that the executive and administration have discharged in full, their accountability for the decisions and actions and that their performance meets the criteria set by performance objectives and measures and is also acceptable in the community.

3. Adoption

The statutory authority to adopt an oversight report in respect of the Annual Report 2020/2021 rests with the Municipal Council.

4. MPAC mandate

MFMA Circular Number 32 recommends the establishment of an MPAC for the detailed analysis and review of the annual report, following its tabling in Council, receiving and reviewing representations made by the public, inputs from other councillors and stakeholders and then drafting an oversight report that may be taken to the full Council for discussion and approval.

MPAC is required to perform the responsibilities as envisaged in the MFMA Circular Number 32 and Section 129 of the MFMA.

5. Consideration of annual report and comments received

MPAC has considered the following reports and comments:

- Draft Witzenberg Annual Report 2020/2021
- 2020/2021 Audit Report of the Auditor-General South Africa, and
- The 2020/2021 Performance, Risk and Audit Committee Report

6. MPAC resolution on Annual Report

Members of MPAC unanimously agreed to recommend that Council approve the Annual Report without any reservations.

Members of MPAC unanimously agreed to recommend to Council to consider the following corrective measures.

7. Corrective measures for Council consideration

It is recommended that Council:

- Take note of the debt impairment issues emphasised by the AGSA;
- Schedule an urgent meeting to set the way forward to address bad debt;
- Allow administration to fully implement Council's debt collection policy, including legal action,
- Take note of the reliance on government grants;
- Place special focus on the ICT environment and that administration tables a comprehensive report to Council on ICT.
- Because of a new Council that the long term capital plan be workshopped and reassessed

To note the following recommendations of the Performance, Risk and Audit Committee inter alia:

- To improve the overall functionality of the performance management system, timeous monitoring and reviewing of the portfolios of evidence should be implemented and management should embrace the recommendations by Internal Audit and ensure continuous monitoring to address the control deficiencies. As previously indicated, where Management has agreed to specific action plans these should be implemented timeously to improve the control environment and performance.

8. Recommendation

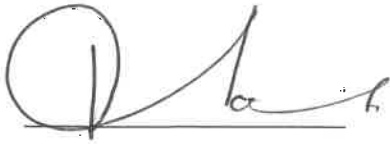
Having fully considered the 2020/2021 Annual Report of the Witzenberg Municipality it is recommended that Council adopts the 2020/2021 Oversight Report and approves the 2020/2021 Annual Report without reservations.

Yours faithfully,



COUNCILLOR LA HARDNEK

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



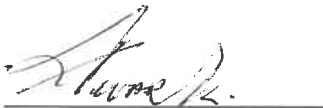
COUNCILLOR JJ CLOETE

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



COUNCILLOR GJ FRANSE

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



COUNCILLOR IL SWARTZ

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



COUNCILLOR K YISA

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE