



**MUNICIPAL PUBLIC ACCOUNTS
COMMITTEE REPORT TO THE COUNCIL OF
MANGAUNG METROPOLITAN
MUNICIPALITY ON THE ANNUAL
PERFORMANCE REPORT OF 2012/13
FINANCIAL YEAR**

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FOREWORD BY THE CHAIRPERSON

While we are proud to be celebrating twenty years of democracy, our municipality is still faced with the challenges of complying to all regulations governing local government to ensure that we are in line with section 152 of the Constitution of SA, objects of local government. As our municipality is the only metro in the Free State Province we have endeavoured to do the best we can to achieve good governance. This is evident from the AGSA's outcome report on our municipality's 2012/2013 Financial year report. There is an impressive improvement there.

Municipal Public Accounts Committee [MPAC] was established by the resolution of Municipal Council's Special meeting of the 11th August 2011 [Resolution Number: 63B]. The establishment that in accordance with section 79 of the Local Government: Municipal Structures Act, [Act 117, 1998 – as amended] to, amongst others, gives effect to the municipal council's oversight role in terms of section 129 of the Local Government: Municipal Finance Management Act [Act 56, 2003].

This is the second report issued by MPAC since its establishment and it will reflect on previous and current findings, resolutions, challenges and achievements aiming at continuous and consistent improvement on service delivery, financial viability and transparent accountability by the municipality.

Council Meeting of the 05th March 2014 mandated the committee to further interrogate the 2012/2013 Annual Performance Report. The committee followed procedures as outlined on National Treasury Circular 32. MPAC conducted public hearings and considered the communities' written submissions for consideration by council. However, there is still a challenge regarding the distribution of the report to the communities as most do not have access to technology (to can access our reports through the website) mostly in rural areas

The outcome of AGSA Report on both Mangaung Metro Municipality and its entity, CENTLEC showing our improvement to compliance deserves praise.

The outcome of AGs Report is an indication that the municipality with the current leadership at its helm, is determined to leave a positive mark in our endeavour to improve our performance and deliver on our mandate from the people.

The committee would like to thank the Executive Mayor, The Speaker, fellow councillors, Office of the City Manager, Centlec leadership, MPAC staff and everyone else who made an input to our work for their contribution to make us stride.

1. INTRODUCTION

The Municipal Public Accounts Committee is established in terms of sections 33 and 79 of the Municipal Structures Act of 1998. The core role of this committee is to play an oversight role by ensuring accountability and proper governance by means of evaluating the performance of the municipality and its entity Centlec through using the Integrated Development plan as a tool of analysis against the budget. Also vested in the committee is the authority to interrogate, amongst others, the annual report, annual financial statements of the municipality and its entity and also on all the issues raised by the Auditor-General in the audit reports.

This oversight report is as prescribed by Section 127 (5)(a) of the MFMA, processes to solicit inputs on the 2012/13 Annual Performance report were undertaken and a summary of those sessions is herein. The year under review has presented both achievements as well as challenges. However, a lot still needs to be done so we can enhance good governance.

2. AUDITOR-GENERAL MEETS MPAC ON THE ANNUAL REPORT

On the 12 March 2014 MPAC held a meeting with the Auditor General to be briefed about the Audit outcomes of the 2012/13 Annual Performance report. The AG indicated that whilst there is improvement in the outcome and performance of the municipality and its entity Centlec, much still needs to be done, most importantly on the side of Centlec, asset management and general maintenance of the municipal assets.

The committee acknowledges the AG's brief and committed itself to work harder and follow-up on all issues we are not complying with.

3. SUMMARY OF PUBLIC PARTICIPATION MEETINGS

The Committee conducted eight public hearing meetings in the three sub-regions of Mangaung which are Thaba Nchu; Botshabelo and Bloemfontein respectively.

TYPE OF MEETING	DATE AND VENUE	ABRIDGED SUMMARY OF OUTCOME
Public Hearing	Friday 14, March 2014	<ul style="list-style-type: none">• Cllr. CSK Sechoaro opened the meeting.• The cluster wards invited for this public

	<p>at 10:00 Thaba Nchu, Civic Centre</p>	<p>hearing were 39,40,42,43,49</p> <ul style="list-style-type: none"> • The purpose of the meeting was outlined • The communities confirmed that they accessed the copies of, Annual Performance Report 2012/2013 • However, most of the issues raised were the issues of service delivery and not much on the AGs findings • They were as follows: VIP toilets; billing system, indigents' issues bad roads; RDP houses; lack of water; inadequate primary health care facilities, stray animals, land for grazing, environmental concerns due to overgrazing and a lack of stock control and assistance in subsistence farming. Also the land issues in relation to the traditional leadership and the municipality in Thaba Nchu. • The meeting ended at 14:05.
Public Hearing	<p>Friday 14, March 2014 at 10:00 Thaba Nchu, Sediti High School</p>	<ul style="list-style-type: none"> • The ward invited was ward 41 • The meeting failed due to the heavy rainfall that limited the access for the communities to the venue
Public Hearing	<p>Tuesday 18, March 2014 at 10:00, Botshabelo Nicro Hall.</p>	<ul style="list-style-type: none"> • The meeting was opened and chaired by Cllr. F Ramokotjo. He welcomed everyone and outlined the program. • Cllr. Nkoe introduced all the MPAC members. • Cllr. Pato was afforded an opportunity to clearly outline the purpose of the meeting and also explained that MPAC was not there to respond to questions

		<p>but to carefully listen and refer the question to the City Manager for responses.</p> <ul style="list-style-type: none">• The communities were then afforded the chance to make their comments and inputs.• The community alleged they did not receive the Annual Performance document and therefore did not get a chance to go through it.• The chairperson assured them that the MPAC did a lot to ensure communication to this effect including radio announcements and interviews which she personally did.• The community of Ward 32 acknowledged the improvement of service delivery in comparison to some two years ago and stated that they are happy however there is still more that needs to be done• Development of small businesses as a means to create jobs for young people and alleviate poverty was a thorny issue raised vehemently.• The price of electricity was also raised as an issue of serious concern• SANRAL's creation of jobs for locals where it is operating was also raised as a concern.• The non- existence of Metro Police within our Metro was also questioned as there was an expectation that its existence could assist in reducing crime• Councillors were accused of not holding public meetings.
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		<ul style="list-style-type: none"> • The lack of primary health care facilities (clinic) considering the vastness of Botshabelo was also raised as a thorny issue. Communities recommend that availability of mobile clinics on a regular basis should be seriously considered. • The non-regulation of foreign owned businesses was also raised as an issue. It is alleged most of them do not conform to any regulations regarding contamination of the environment even labour laws or any other laws what so ever. It is alleged the hike the prices of electricity and airtime with impunity. • In ward 38 there is a make –shift dam that poses a danger to children. The municipality is requested to remove it. Also the issue of abandoned houses And buildings on private land are a health hazard and criminals’ havens. • C2 does not have electricity and the houses are falling apart • Sewerage and running water where it is already available is appreciated but other communities are impatient for their areas in particular the once affected by poor sanitation • Youth development programmes were also raised, many young people do not feel the impact of this programme within our municipality • Cllr. Ramokotjo made closing remarks and the meeting adjourned at 12:26
Public Hearing	Tuesday 18, MARCH 2014 at 14:00, Botshabelo Kaizer	<ul style="list-style-type: none"> • The Committee Whip, Cllr F. Ramokotjo, opened the meeting. • The cluster wards were the following:

	Sebothelo Arena.	<p>27,28,29,30</p> <ul style="list-style-type: none"> • Service delivery issues raised were serviced or the non-existence of storm waters, the billing system, no access to water, housing, the sewerage network, crime levels, unemployment, VIP toilets, collection of waste, illegal dumping and roads. Residents also requested that the railway system be brought back due to affordability of other means of transport
Public Hearing	<p>Wednesday 19, March 2014 at 10:00 Bloemfontein Kagisanong Hall.</p>	<ul style="list-style-type: none"> • Cllr. F Ramokotjo, officially opened the meeting • Cluster wards invited to this public hearing:5,6,7,8,9,10,11,12,13,14,15 and 45 • MPAC members introduced themselves and the chairperson 's apology presented • Cllr. M B Mononyane summarised the content of the report and outlined the purpose of the meeting and procedures to be followed. • A lot of issues raised by the members of the community were issues of service delivery.
Public Hearing	<p>Wednesday 19, March, 2014 @14:00, Bloemfontein Batho Hall</p>	<ul style="list-style-type: none"> • Chairperson opened the meeting, explained the purpose of the meeting MPAC members to introduce themselves. • The cluster wards were 1,2,3,4,19 • Cllr. Mononyane gave an overview of what the Annual report entails and outlined the roles and responsibilities of the Committee. • Matters related to poor service delivery

		such as the billing system, housing, water leakages, concerns with electricity and indigent policy were recorded.
Public Hearing	Thursday 20, March 2014@ 17:00, Floreat Hall Bloemfontein	<ul style="list-style-type: none"> • The cluster wards invited for this meeting were 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 44, 46, 47, 48 • The meeting failed due to poor attendance.
Public Hearing	Thursday 27, March 2014 at 14:00 Bloemfontein Bergman Square (Ward 17)	<ul style="list-style-type: none"> • This was a re-take of the meeting failed on Thursday 20, March 2014 @ 17:00, Floreat Hall Bloemfontein. • The Chairperson, Cllr. C.S.K Sechoaro officially opened the meeting • Cluster wards 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 44, 46, 47, 48 • The Chairperson outlined the purpose of the community meeting and the Committee's oversight role. • The Chairperson also indicated to the community that complaints that are related to service delivery would not be addressed but forwarded to the City Manager for investigations and further intervention. • Concerns were raised regarding the slow delivery of services in the affected wards. Little or no access to water is a concern that was largely raised by residents of wards 17 and 45 • Other service delivery concerns raised were about housing, sewerage and water leakage, bad road conditions, crime and un-kept open spaces, the billing system, flooding, toilets. and

		requests that were made to the municipality are sites for churches, crèches and community projects .
Public Hearing	Tuesday 01, April 2014 at 10:00, Thaba Nchu Sediti High School	<ul style="list-style-type: none"> • This was a re-take of the meeting failed on Friday 14, March 2014 @ 14:00, Thaba Nchu Sediti High School • The ward invited for that meeting was ward 41. • The Chairperson, Councillor CSK Sechoaro, thanked members for their attendance and explained to the community that the purpose of the meeting was to inform the community about what the Municipality had been doing and that according to circular 11, Act 56 of 2005 of the MFMA the Municipality had to present members of the public with the Annual Report. She further explained that MPAC was a Council committee responsible for oversight and that it consisted of different political parties. • The Chairperson, highlighted the following to the community, that the financial year of the Municipality began on 1 July and ended on the 30 June yearly, and that MPAC was responsible to take inputs from the community from the beginning until the end of the financial year on the Annual Report. The Annual Report was distributed in Municipal buildings i.e. libraries for the community to access and peruse in order to make inputs during the public participation. • The Chairperson further added that

		<p>service delivery issues would not be addressed/ responded to but will only be noted and forwarded to the office of the City Manager for response and that the community shouldn't have a fear of complaining about councillors and poor services by the officials of the municipality.</p> <p>The following inputs and comments were made by the community members namely;</p> <ul style="list-style-type: none"> • that the roads needed to be fixed as the hearses could not travel on these roads; • that people have to travel by foot due to the condition of the roads; • that there were high mast lights, but they were not working; • that more high mast lights were needed in Paradys; • that the grave yards were a major problem which the community was concerned about; • that foundations were built years ago, but the houses have not yet been built; • that employees from Centlec left their numbers for the community to call them when they had problems, they called on numerous occasions but they are not responsive; • that there was a make-shift dam in the trusts which was causing problems for the community; • that the pipes were leaking all the time and thus causes major water losses; • that there was no water in the trusts; • that the VIP toilets were full and the
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		<p>smell is unbearable;</p> <ul style="list-style-type: none"> • that there was no hall for the community to utilise; • that the grave yards needed to be fenced; • that Ms Nthabeleng from Paradys thanks the Municipality for the water, because she struggled for a long time before she had access to water; • that Muthusi road was in a very bad condition, even the busses cannot travel properly there and the residents felt unsafe • that there should be an information centre in the villages; • that vacancies in the Municipality should be accessible for all the people; • that a place should be open where the community could access computers and the internet even during the weekends, example flexible office hours, not schools as the schools close between 2pm and 4 pm and those were the times when some people had the opportunity to go to such places; • that when the people look for Municipal posts on the internet they are not available, but when one goes to the information centre in Thaba Nchu the posts are posted there; • that they suggest mobile libraries would be a good idea for now; • that clinics only operated from Monday to Friday, on weekends when people are sick they are forced to call the ambulance which can take up to four
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		<p>hours to come;</p> <ul style="list-style-type: none"> • that the waste trucks don't come to the villages to collect waste, they only go to Thaba Nchu; • that roads are so bad that the residents struggled when it rained; • that their toilets had not been vacuumed since 2012, the Municipality promised the residents that the matter would be looked into but there has been no progress; • that the members from Middledeel Trusts are grateful and happy that the Councillors came to them to hear their problems; • that they are thankful for the water that they are now receiving; • that the cattle had no water and this resulted to the death of the cattle; • that a community member was given a site five years ago but until today there was no electricity; • that one members daughter was given a house, but Eskom told her that she needed to pay R2000 for the electricity box; • that the pipe which transforms water to the dam was stolen; • that one members house burnt down 12 years ago, different Councillors have been to the house (two previous Councillors including the new one), but have not done anything to assist with the problem; • that the Municipality should put gravel on the roads, the community even
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		<p>offered to help the Municipality with the labour;</p> <ul style="list-style-type: none"> • that people did not have water in their yards, those who had the taps had installed the taps for themselves.
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4. NOTIFICATIONS AND QUESTIONS TO THE CITY MANAGER

The Committee forwarded concerns and questions from the public participation meetings and report under review to the Office of the City Manager. On the 15th April 2014 the committee met with the office of The City Manager to receive responses in line with the MFMA section 129(2)(a). See Annexure A.

Type of meeting	Date and Venue	Summary and Outcome
	Tuesday, 15 April 2014, 2 nd Floor Office of the City Manager	<ul style="list-style-type: none"> • The questions were sent to the Office of the City Manager as formulated and consolidated by the Municipal Public Accounts Committee. • Formulated questions also include the representations from the public
Responses and considerations to questions from the City Manager	Wednesday April 29, 2014 Indaba Auditorium Bram Fischer Building @ 10:00	<ul style="list-style-type: none"> • The Chairperson, Councillor M Sechoaro, officially declared the session opened and extended a special word of welcome to the City Manager, the Acting CEO, the CFO and the new committee member, Councillor Moshwadiba. • Councillor MB Mononyane requested to be excused due to the public meeting he had to attend. • It was noted that albeit the invitation to the public, they did not attend. <p>The following inputs and comments were made by the City Manager in her response;</p> <ul style="list-style-type: none"> • that the attendance registers for item 24 would be attached;

		<ul style="list-style-type: none"> • that item 25 regarding anti-fraud and corruption, the matter is been investigated by the anti –fraud and the CRO’s office has attached the relevant documentation and legal action had been taken against MNK; • that the Municipal website had been upgraded, the server was improved and is now in full compliance; • that item 30 regarding the backlogs, the variance was incurred as a result of the actual expenditure as only a certain amount of the allocated budget had been spent and not the total amount; • that item 31 the variance was incurred as a result a total of 80% of the capital budget was used; • that the solid waste service delivery levels on item 33 were dealt with as the municipality had 18 trucks and service providers were rendering services to 29 000 households and as a result residents problem had been minimised; • that it would take a while to fill the 74 vacant full-time positions; • that the targets reflected in item 46 did not match the actual implementation; • that all the RDP houses indicated on item 43 had been shifted; • that Economic Development would assist with the improvement of dilapidated houses that were reflected on item 53; • that the City was facing a major problem with community members who were turning their houses into commercial businesses; • that more staff has been appointed to deal with the service delivery objectives for health
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		<p>inspection, food and abattoir, the process was placed on hold due to the placement process;</p> <ul style="list-style-type: none"> • that the rates hall in Botshabelo had been revamped and the rates hall at Central Park had been relocated to the intermodal transport facility; • that more females should be appointed into senior positions, the Municipality was facing a problem as women were not responding to the adverts; • that it was imperative for the Municipality to ensure that more disabled people were being employed within the institution; <p>that the Municipality was trying its utmost best to ensure that its scarce resources were retained, even though this is a challenge;</p> <ul style="list-style-type: none"> • that vacant posts have been funded, the Municipality was waiting upon the placement process to be complete, the vacancies have to be approved by the LLF and thereafter would be advertised; <p>The following inputs and comments were made by the Acting CEO of Centlec;</p> <ul style="list-style-type: none"> • that Centlec was facing a problem regarding street lights and cable theft and that cases had been opened with the SAPS; • that the shortage of vehicles that Centlec was experiencing has been sorted out; • that Centlec was only responsible only up to the F boundary regarding the tariff group in item 41; • that Centlec worked according to the list of RDP houses which they had received, that even though some houses had been
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		<p>completed some community member themselves steal the cables;</p> <p>The following inputs and comments were made by the Committee members;</p> <ul style="list-style-type: none"> • that the City Manager should respond to the second part of the Audit Action Plan; • that the Committee members wanted some clarity regarding the process of removing the electricity connection from the shack, once a house has been built; <p>RESOLVED that the office of the City Manager would provide the committee members with the detailed responses from Centlec and the City Manager during the day, where the Committee members would meet and go through these responses before presenting the oversight report to Council.</p>
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5. CHALLENGES AND PROPOSED SOLUTIONS

The table below shows challenges noted by the Committee during the public hearings and proposed solutions to these challenges;

CHALLENGES	PROPOSED SOLUTIONS/RECOMMENDATIONS
<p>1) The MPAC has noted that the annual report is too technical for the majority of community members and hinders their participation.</p>	<p>a) Ward Councillors, through the assistance of ward committees, to convene community meetings with the objectives of extensively discussing the MPAC’s public participation process.</p> <p>b) That the municipality should produce a summarized report in all official languages within the municipality.</p>

2) The MPAC proposed Terms of Reference have still not been finalized	a) The proposed Terms of Reference should be finalized to empower the committee to fulfil its mandate.
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The Committee has executed its mandate as outlined by the provisions of the MFMA. The following were achieved:

- Our mandate as the committee was guided by Circular 32 and section 129 of the MFMA
- The number of public hearings was increased by covering more areas including rural areas.

6. ACHIEVEMENTS RECORDED BY THE COMMITTEE

The Committee has executed its mandate as outlined by the provisions of the MFMA and the Terms of reference respectively.

The following were achieved:

- Our mandate as the committee was guided by the Circular 32 and section 129 of MFMA.
- The number of the public hearings was increased from six to eight due to the demand of other rural areas that were normally not covered and successfully held all the public hearing meetings and collated all their concerns and inputs regarding the Annual Performance Report for the year 2011/2012.
- The committee managed to meet and formulate the questions and send them through to the Office of the City Manager amidst the National Election period which affected all its members.
- The committee met its obligation to compile its report and to table it before the Council.

7. FINDINGS

The committee noted and acknowledges the improvement of the performance of the municipality and its entity, Centlec, although much still needs to be done.

8. PRIOR YEAR OUTSTANDING RESOLUTIONS

The following were the outstanding resolution of Council as recommended by MPAC on the Annual Performance Report 2011/2012:

Ordinary meeting of the Council: Friday, May 3, 2013

Resolution 48A: (b) *that the Council request the Executive Mayor, Councillor TM Manyoni, to report to the Council on the actions required by the end of June 2013*

9. CONCLUSION

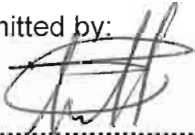
In conclusion, The Committee wishes to re-iterate its commitment and dedication to perform its mandate. As the committee of the Council MPAC will continue to perform its tasks with honesty and integrity and duly report to the Council.

We wish to highlight to Council that, the time frames attached to this report was affected by the National Election programmes which were affecting all committee members due to political responsibilities.

10. RECOMMENDATIONS

Having fully considered the annual performance report of the municipality , its entity Centlec and representations thereon, the MPAC recommends that Council adopt the 2012/13 Annual Performance report without reservations.

Submitted by:



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Cllr. L.M Titi Odili
Chairperson: MPAC