

16 March 2020

To : The Speaker  
Cllr M. Siyonzana

## **2019/20 AUDIT ACTION PLAN - MANGAUNG METROPOLITAN MUNICIPALITY**

### **1. PURPOSE**

As required by section 121 (3)(g) of the Municipal Finance Management Act No56 of 2003 management of the municipality and the municipal entity have developed corrective actions to be implemented in response to issues identified in the Auditor General's audit report for the financial year 2018/19 to the Mangaung Metropolitan Municipality's Council.

### **2. BACKGROUND AND DISCUSSION**

The Mangaung Metropolitan Municipality has obtained a qualified audit opinion from the Auditor General on the Financial Statements of Mangaung Metropolitan Municipality for the year ending 30 June 2019.

The Municipality has developed an Audit Action Plan detailing the corrective measures and actions geared towards resolving the remaining Auditor-General's findings and most importantly ensuring that they do not recur.

The Accounting Officer and the CFO have convened working session for the items remaining which have a financial impact to critically review the audit action plan and to ascertain whether the proposed actions will yield the anticipated results. The ensuing discussions, inputs from the above working session were used in finalising the Audit Action Plan for the Municipality (Annexure A) (a copy of the Action Plan is hereto attached as Annexure).

Further discussions are envisaged to be held with the Municipal Public Accounts Committee to deliberate and discuss proposed corrective actions in pursuit of further refining them.

## **Implementation and Monitoring of the Audit Action Plan**

Municipal administration has established task teams and project leaders to assist in the implementation and monitoring of the proposed corrective measures which are to be undertaken. Specific time-frames have been agreed upon in the Executive Management Team to ensure that the issues as identified by the Auditor-General are resolved in an efficient and effective manner.

Progress reports on implementation of corrective actions contained in the Audit Action Plan will be submitted to Council on a quarterly basis.

### **3. LEGAL IMPLICATIONS**

Municipal Finance Management Act 56 of 2003

### **4. FINANCIAL IMPLICATIONS**

No Financial Implications.

### **5. RECOMMENDATIONS**


1. That Council takes note of the Audit Action Plans of the City;
2. That quarterly progress reports on the implementation of the Audit Action Plans be prepared and submitted to Council for noting.

**Submitted by:**

**Recommended by:**

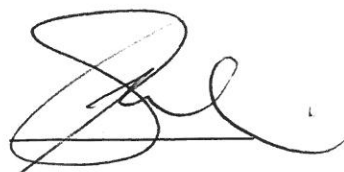
**Recommended by:**

  
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**Mr S.E Mofokeng**  
**Chief Financial Officer**

  
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**Adv. T.B. Mea**  
**City Manager**

  
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**Adv. M Mofokeng**  
**EXCO Rep**

Approved by

  
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**Cllr S.M. Mlamleli**

**Executive Mayor**