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Our Ref:

Room 701, Bram Fischer Building

Date: 23 June 2020

Council ITEM  
MMM

## **REPORT ON THE INVESTIGATIONS RELATING TO THE OVERSIGHT REPORT OF MPAC FOR THE YEAR ENDING 2017/18**

### **1. Purpose**

To provide Council with a report on the investigation conducted as per resolution 9 of the item of Municipal Public Accounts Committee Oversight Report of Council meeting of Tuesday, 24 December 2019.

### **2. Deliberations**

The Council sitting of the 24<sup>th</sup> December 2019, Council considered the Municipal Public Accounts Oversight (MPAC) Report on the 2017/2018 Annual Report. The report was approved by Council and it was further resolved under Resolution 9 stated the Speaker must conduct a further investigation and report back to Council accordingly.

As Council already adopted the Oversight Report of MPAC, the purpose of the investigation was not to deal with contents of the report and was focussed on the submissions of the City Manager to MPAC. To process the matter, the Speaker had to peruse the flow of communication and documentation so as to assess the points of interactions between MPAC and the office of the accounting officer in processing matters and where the latter is required to provide necessary support to the former in the performance of the work of MPAC. Secondly, to ensure that there is smooth flow of information between the two offices and identify how office of the accounting officer is

held accountable and how it reports to MPAC. The process embarked upon by the Speaker also focused on looking into the systemic and process issues in relation to the interface of administration and MPAC to bring forward process flow issues. The Speaker's observation based on documentation and process flow revealed pertinent issues and points:

- *There were formal interactions between MPAC and administration during the period of the development of the MPAC report in terms of formal requests to respond to questions.*
- *The interactions of MPAC with administration was done formally and appropriately through the Office of the Accounting Officer.*
- *As part of the interaction the administration was issued with a list of questions by MPAC which included amongst others the status of implementation of the 2016/2017.*
- *There was formal response from administration to the list of questions received from the MPAC.*
- *The MPAC report highlights the point that 2016/2017 MPAC Oversight report issued fifteen resolution and further indicated that some were not implemented.*

Furthermore, there were formal meeting held by MPAC wherein the City Manager and administration were afforded the opportunity to deal with the previous MPAC resolutions and respond to follow-up questions. The correspondence also indicates that there were several instances where administration was requested to submit written reports per the request of MPAC. The process of communication and information indicates challenges that needs to be managed better especially on ensuring that timely information is provided to the MPAC and where the are challenges workable options must be communicated and agreed to beforehand. This will assist to unlock timely and quality reporting and follow up enquiries from MPAC to ensure that the process is smooth and efficient as possible.

It is important to acknowledge that there is always possibilities that there are unforeseen (but manageable) constraints that might be encountered by both sides in the execution of this important oversight and reporting function and it is important that coordination systems are put in place to management the negative impact of this occurring. Furthermore, the process of the oversight report has time limitation in terms of MPAC reporting back to Council hence the importance of seamless coordination and systems that enable quicker interaction and flow of information and documentation. The coordination mechanisms are important so that upfront process expectations are communicated, and the interface is properly managed. The documentation perused also


indicate the timelines and response deadline that needed to be adhered to in ensuring the process is completed timely.

Finally, the documentation resulted in the following concluding observations about the processes that were followed and what should happen in future. First, there is evidence and records of interaction between MPAC and the office of the accounting officer. The latter also responded to request as per record of delivery and responding report to MPAC. However, as indicated earlier above, there are grey areas and areas of improvement in relation to coordinating information and documentation flow within the tight time constraints of developing the oversight report. It is important that the accounting Officer and administration ensure and improve on systems to ensure that the Chairperson and the Committee receives information to their satisfaction and are happy with what has been submitted. For example, there is no evidence and proof that a list of documents and information submitted is checked against some control document so that if there is anything outstanding the two offices can immediately identify that which is not included or is not how the Chairperson and the Committee would want it. This is the area that requires immediate attention and agreement from both the office of Chairperson and the City Manager. Although I was satisfied with the information and records that I was able to retrieve and peruse for the purposes of the investigations, it does not mean that there cannot be further improvements and enhancement of the processes, especially due to the fact that the Chairperson of MPAC and the Committee requires and depend on the information submitted to them to be able to do their work. A set of documents and records that were used during the investigations is attached as annexure "A" to the report.

### **3. Recommendations**

It is therefore recommended that:

- 3.1 Council approves the report.
- 3.2 Council accepts that there is an immediate need for improvements on the systems and processes of submission and recording of reports in particular the interface, control and recording of documentation and information flow.

  
Counsellor MA Siyonzana  
Speaker