

Ref: 4/4/1

Date : 18 February 2022

SPEAKER

COUNCIL ITEM

FUNCTIONING OF THE MUNICIPAL PUBLIC ACCOUNT COMMITTEE: MPAC

1. Purpose

The purpose of this report is to appraise the Municipal Council on the state of affairs regarding the functioning of the Municipal Public Account Committee

2. Background Information

During the Municipal Council meeting held on the 08th of December 2021, the Council under item 28.3. elected chairperson of the MPAC and other chairs of section 79 Committees. MPAC is required to have full time staff complement to support the work of the committee, which had been in limbo due to a number of reasons. Some of those reasons impacting negatively on the proper functioning of MPAC are explained in paragraph 3.3 below and are brought to the Municipal Council for recording and future reference.

3. Deliberations

The main functions of MPAC had been circulated in the body of the report approved by the Council on the 08 December 2021 Council meeting. But key areas of the Committee can be deduced as financial in nature. To summarize this key responsibilities of the MPAC, we need to reflect the following functions and further has to examine:

- All financial statements of all executive organs of the council;
- Any audit reports issued on these statements;
- Any reports issued by the Auditor General on the affairs of the municipal entity;
- Any other financial statements or reports referred to the committee by the Council; and

- The Annual Report on behalf of the Council, and then make recommendations to the Council.

After scrutinizing these reports and statements, the committee may report on any of them to the council and, if needed, initiate any investigation in its area of competency. With regard to the annual report, the committee is required to initiate and conduct public engagement on the Annual Report and afterwards develop an oversight report for council consideration. The Oversight report must be submitted to Council 60 days after tabling.

3.1.Regulatory Framework and other Policy Implications

It is imperative to detail the process of the Annual Report, which is as follows, namely;

Tabling of the Annual Report which remains a peer accountability tool is provided or tabled at the end of January each year. The purpose of the Annual Report is to record the activities in the year under review and measure the municipality's performance against the budget. It also promotes the municipality's accountability to the local communities for decisions made through out the year.

The Annual Report serves as an instrument to render the municipal executive accountable to the municipal council. This is evident from the fact that the process does not end with the tabling of the Annual Report by the Executive Mayor to the Council. Instead, the presentation of the Annual Report is followed by the Council issuing its own oversight report.

The Council meeting that discuss the Annual Report must be open to the public, and other municipal stakeholders. Mutatis mutandis, when the MPAC tables the oversight report at the Council meeting, it should also be an open meeting to the public. Failure to submit the oversight report within a stipulated period of sixty days will be a serious fiasco on the conscious of the members of MPAC.

3.2.Financial Implications

The are financial implications in this report

3.3. Impediments and The Way Forward

The current functioning of MPAC is experiencing teething problems, and these challenges are beyond the control of the committee. It is expected that after the municipal elections, committees should be functional within 90 days after the declaration of elections.

The case in point of our MPAC is that it went over that 90 days window period, and the committee is still to be fielded with representation. The Draft Annual Report was tabled on the 31st January Council meeting, nothing operational had been done, by the office. To list these challenges without going to the details are as follows; namely,

- a) representation to the committee still to be concluded;

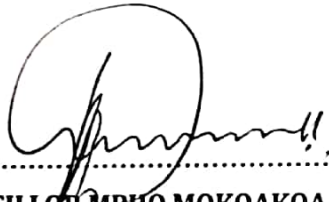
- b) Staffing of the MPAC office had been delayed unnecessarily;
- c) Critical office operations had not started due to the above reason;

And given the fact that only one month is left to engage communities on the Annual Report, the committee will in high probability be unable to report back to the Council in the stipulated time-frame; and that the Speaker be mandated to fast track and finalize staffing issues of the MPAC office.

4. Recommendations

It is hereby recommended that

- a) the Council note the operational challenges experience by MPAC;
- b) the MPAC committee continue with its work with committee members confirmed as of the 12 February 2022;
- c) the Speaker, be mandated to finalize the office staffing of MPAC office;



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COUNCILLOR MPHOKOAKOA
CHAIRPERSON OF MPAC
22 FEBRUARY 2022