

Your Ref:

Our Ref: 4/4/1

Room 701, Bram Fischer Building

Date: 24 May 2023

SUBJECT: REQUEST FOR LATE SUBMISSION AND NON-COMPLIANCE WITH TIME PROVISIONS OVERSIGHT REPORT

1. PURPOSE

The purpose of this report is to appraise the Municipal Council on the status and state of readiness regarding submission of the Oversight Report.

2. BACKGROUND

The Municipal Council noted the tabling of the Annual Report on the 13 February 2023 under item number 6.1 and deferred the report to MPAC for further processing. The Oversight Report is the final major step in the annual reporting process within the city. Section 129 of the MFMA requires Council to consider the Annual Report and adopt the Oversight Report containing Council comments and inputs on the Annual Report. The Oversight Report follows consideration and consultations on the Annual Report.

As indicated above the Annual Report was tabled on the 13 February 2023 and MPAC was required to process the report and return back within 60 days with the Oversight Report. The time-line for the Oversight Report submission to Council was the end of April 2023.

3. DISCUSSION

MPAC administration and Acting City Manager offices are central in the process towards consultations, crafting and packaging of the Oversight Report. And the office commenced with administrative matters which are listed in the illustration or table 1 below.

Tabled 1.

No.	Activity	Process
1.	Annual Report placed on the website	done
2.	Copies of the Annual Report circulated to libraries	done
3.	MPAC committee meetings held per schedule dealing with matters related to the Annual Report	done

4.	Questions regarding the Annual Report drafted by the committee and submitted to the Acting City Manager and CEO of Centlec	Responses from CEO Centlec received
5.	MPAC meeting with the ACM and CEO Centlec for feedback on the questions asked	Not done
6.	Taking the Annual Report to the Communities. Consultations and representations from members of the public	Not done
7.	Draft Annual Oversight to the Committee	Not done

4. LEGISLATIVE PROVISIONS

Section 129 of the MFMA stipulates as follows, namely;

1. The Council of a municipality must consider the Annual Report of the municipality and of any entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, 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.

2. The accounting officer must –
 - a) attend council and council committee meetings where the annual report is discussed, for the purpose of responding to questions concerning the report; and
 - b) submit copies of the minutes of those meetings to the Auditor-General , the relevant provincial treasury and provincial department responsible for local government in the province.

3. The accounting officer must in accordance with section 21 A of the municipal systems Act make public the oversight report referred to in subsection (1) within seven days of its adoption.

5. DELEGATIONS

None

6. IMPLICATIONS

6.1. FINANCIAL

None

6.2. LEGAL

REASONS FOR THE FAILURE TO SUBMIT AN OVERSIGHT REPORT

The following difficulties were experienced by MPAC:

- The late release of the Auditor General's Audit Report 13 February 2023 resulted in unnecessary pressure on MPAC to review the financial section of the Annual Report in time,
- the resignation of the former acting City Manager, who was at that stage expected to respond to questions submitted to his office for responses;
- shortage of staff within MPAC created inadequacies and resulted in stretching of the current skeleton staff;
- due to resource limitations, the Committee was unable to perform physical public participation in Mangaung, however, invitations for members of the public to submit representations were made through the media.
- not all the information in the Annual Report could be verified; and
- the removal of the chairperson of MPAC left a void and all the planned work sessions collapsed as a result which derailed the finalization of the oversight report.

6.3. COMMUNICATION

PUBLIC PARTICIPATION PROCESS

The draft Annual Report of the 2021/2022 Annual Report was made available to the Public after it was tabled by Council on the 13 February 2023. Hard copies of the Report were made available to the public at the Municipal Offices, Public Libraries and the Report was also available on the Municipal Website. The notice calling public comment and inputs was published on 15 and 22 February 2023 in the local Mangaung Issue and Bloemfontein Courant newspapers respectively and was also published on the Municipal Website and Notice Boards. The closing date for comments and/or inputs was set at 12:00 on 08 March 2022. No submissions were received.

6.4. COMMUNITY & SERVICE DELIVERY

None

7. RECOMMENDATION

It is hereby recommended that

- a) That the Municipal Council take note of this report
- b) The Municipal Council mandate the Speaker to investigate measures to resolve current impasse and report back to council in the next council meeting.

SUBMITTED BY:



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CLLR MARYKE DAVIES
SPEAKER

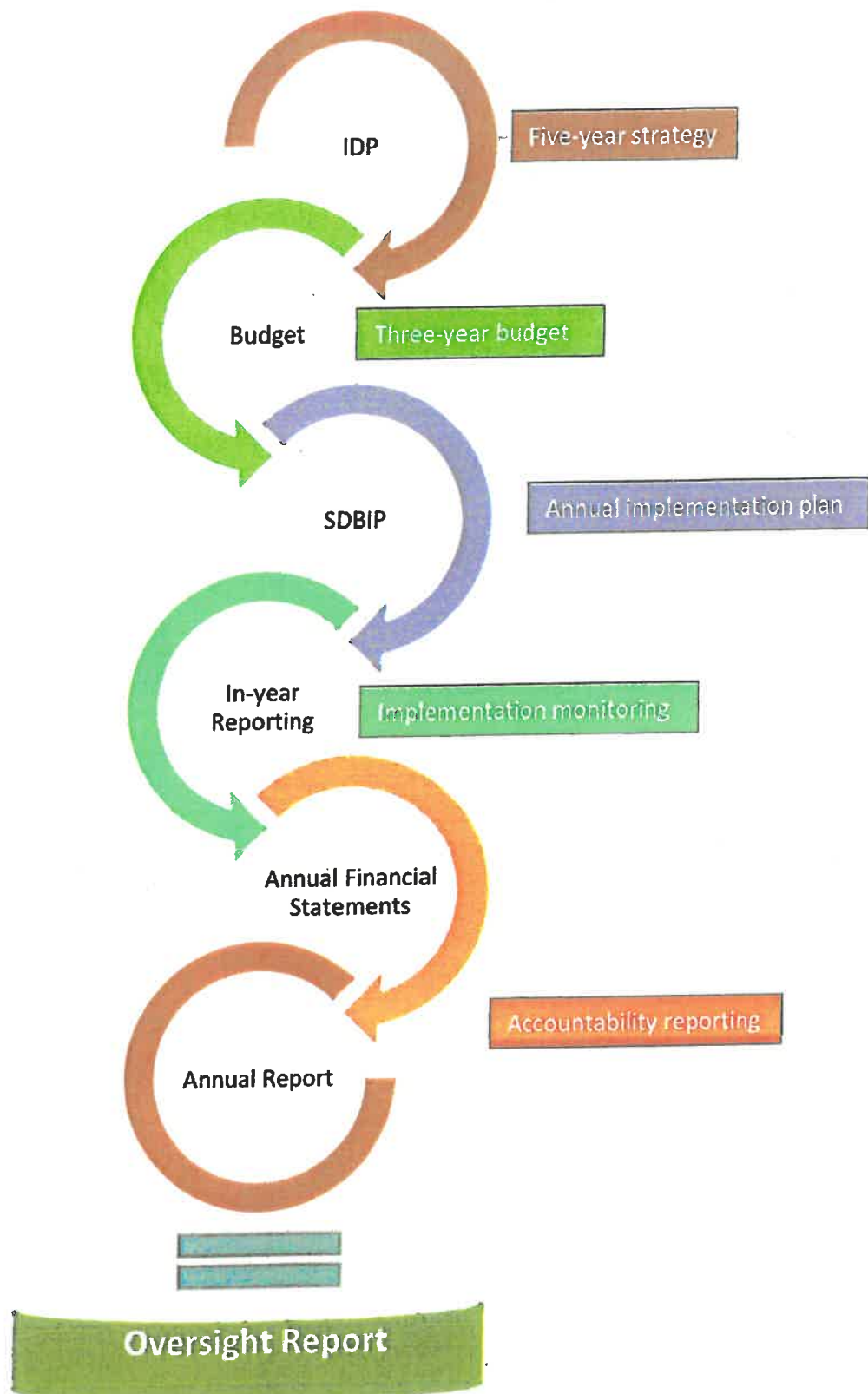
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DATE

ANNEXURES

Accountability Cycle

The Accountability Cycle



- Organisational structure aligned to services;
- Sound municipal policies, processes and procedures;
- Financial and Non-Financial performance information.