



MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

OVERSIGHT REPORT

FOR

2023/ 2024

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FOREWORD BY THE CHAIRPERSON OF MPAC

CLLR. IJ Makoloane

Honourable Speaker, Executive Mayor; Deputy Mayor; Council Whip; fellow councillors, administrative leadership; community of Mangaung; it is with great pleasure to submit to Council for consideration, the Oversight Report of the Municipal Public Accounts Committee (MPAC) on the 2023/2024 Annual Performance Report of the Mangaung Metropolitan Municipality.

This oversight report is a crucial part of our duty to ensure transparency and accountability in the governance of our municipality. The oversight role of council is a critical component of the financial reforms, and this can be realised through the separation of roles and responsibilities between Council, the Executive Authority and Municipal Administration. It needs to be emphasised that good governance, effective accountability, and oversight can only be attained if there is a clear dissimilarity between the functions undertook or performed by the different role players.

The oversight report tabled by MPAC demonstrates our commitment to fulfilling our obligations as outlined in the Municipal Structures Act 117 of 1998 and the Municipal Finance Management Act 56 of 2003. as amended respectively. These legislative frameworks mandate us to exercise oversight on behalf of the Council in the work of the municipality and its entity, ensuring that public funds are used efficiently and effectively for the benefit of all residents

In the recent past, the AGSA presented a bleak image on Mangaung Audit outcome 2023/2024 before Steering Committee on Public Accounts (SCOPA) of Parliament. In this regard, AGSA raised number issues relating to Material Irregularities findings on IPTN, Zoo Animals and 111% expenditure of Budget against 45% achievement on planned service delivery. Following the above, the MPAC had a serious engagement with AGSA on 13th May 2025 for clarification. The AGSA made emphasise on the matters relating to IPTN and the disappearance of animals in ZOO, where there was no portfolio of evidence that the municipality is addressing the matter.

Speaker, allow me the opportunity to dedicate this MPAC Oversight Report on Annual Performance Report 2023/ 2024 to Men and Women of stature in the likes of Councillors serving in the committee, Office of MPAC, Technical Advisors of the Committee, Committee Services (Secretariat). These people have performed sterling work beyond their official duties to ensure the development of this report. Corporation received from Administration cannot vanish unnoticed as observed in many activities of the MPAC.

Lastly, I urge all stakeholders to carefully consider the findings and recommendations outlined in the Oversight Report. It is only through collective effort and commitment to good governance that we can build a municipality that serves the needs of all residents.

Thank you for your attention.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEMBERS

The Municipal Public Accounts Committee (MPAC) was established by Council on 8th December 2021 in line with Section 79 of the Municipal Structures Act, 117 of 1998

MFMA Circular No.32 requires that MPAC should be made up of only non-executive Councillors. It further states that municipal officials cannot serve as members.

NO	SURNAME & INITIALS	CAPACITY
1	Cllr Makoloane IJ	Chairperson of the Committee
2	Cllr Mohibidu PM	Whip of the Committee
3	Cllr Banyane ZN	Member
4	Cllr Matsephe DE	Member
5	Cllr Menyatso TV	Member
6	Cllr Mokoena IJ	Member
7	Cllr Mothupi ML	Member
8	Cllr De Bryun J	Member
9	Cllr Rampai PJ	Member
10	Cllr Sebolao JE	Member
11	Cllr Siteo ND	Member
12	Cllr-Tshwane KD	Member
13	Cllr-Van der Walt T	Member
14	Cllr Snyman Van Deventer E	Member
15	Cllr Van Rensburg C	Member

MPAC Office Support Staff

Mr. DM Sekakanyo (Head of MPAC Office)

Mr. TJ Ngonyama (Researcher)

Secretariat Support to MPAC

Ms. X Qilo (GM-Committee Services)

Ms. MF Morakabi (Acting Manager- Committee Services)

Technical Support to MPAC

Mr. GA Ntsala (GM: Internal Audit)

Ms. M Mototo (Chief Risk Officer)

1. PURPOSE

The purpose of the report is to present the MPAC Oversight Report on the 2023/2024 Annual Report to Council for consideration and adoption in terms of Section 129(1) of the MFMA

2. INTRODUCTION

In accordance with the provisions of the Municipal Structures Act, section 79A,3(c), the Municipal Public Accounts Committee is required to develop an oversight report on the annual report of the municipality as contemplated in section 129 of the Municipal Finance Management Act.

The Municipal Public Account Committee (MPAC) plays a crucial role in ensuring transparency and accountability within local government structures. Tasked with carrying out oversight functions on the Executive, Administration, and entities of the municipality.

The Annual Performance Report for 2023/ 2024 was tabled and noted by the council meeting held on 30th January 2025. Thereafter, the report was referred to MPAC for further processing. The MPAC was given 60 days to review the report and come up with recommendations to present to the council. However, the process of completing the oversight report encountered some challenges which caused delays in presenting 2023/ 2024 oversight report.

This report strives to provide an assessment of the financial management and performance of the municipality. It highlights any irregularities, inefficiencies, or areas of improvement that need to be addressed by the council. Also, this report highlights the caption of some inputs solicited from communities during public participations of MPAC.

3. LEGISLATIVE FRAMEWORK

There are legislative framework and circulars that give effect to the existence of the MPAC and its operation, and among others, these are the following:

- 3.1. RSA Constitution of 1996
- 3.2. Municipal Structures Act 117 of 1998 as amended.
- 3.3. Municipal Finance Management Act 56 of 2003 as amended.

- 3.4. Public Audit Act 25 of 2004
- 3.5. Municipal Systems Act 32 of 2000 as amended.
- 3.6. Municipal Planning and Performance Regulations (2001)
- 3.7. Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Managers (2006)
- 3.8. MFMA- National Treasury's Circulars
- 3.9. MPAC Mangaung Terms of Reference

4. TABLING OF THE ANNUAL REPORT 2023/ 2024

The Executive Mayor tabled the Annual Report in the Council Meeting held on 30th January 2025. Following the presentation by the Executive Mayor, the Council noted the report and referred it to the MPAC for further processing in terms of MFMA Section 129 (1).

The main components of the Annual Report submitted to Council were the following:

- 4.1. The Annual Performance Report, in line with Section 46 of the Municipal Systems Act (MSA).
- 4.2. The audited Annual Financial Statements
- 4.3. The Auditor-General's Audit Report on the financial statements and programme performance in terms of Section 126 (3) of the MFMA and 45 (b) of the MSA respectively.

Following the said council meeting, the Accounting Officer distributed the copies of the Annual Reports 2023/ 2024 to the different public places for public comments.

5. MPAC PROCESSES ON THE REVIEW OF THE ANNUAL REPORT 2023/ 2024

5.1. Meeting with Auditor General SA

On 12th February 2025, the MPAC held a meeting with Office of the Auditor General of South Africa (AGSA). In this meeting, the MPAC received presentation on AG Report 2023/ 2024 about Mangaung Metro Municipality. Furthermore, the commitment to good governance was made and ensure that the consequence management will be considered against Heads of Departments that are incoherent.

Also, the AGSA presented the additional commitments to MPAC which were agreed upon.

5.1.1. Commitments for 2023/ 2024

- Establish control processes to address weaknesses in the overtime process in accordance with applicable legislation.
- Implement actions to address the reading of households where estimated consumptions have been done for prolonged periods that affect the reliability of service revenue.
- Commence investigations into UIFWE with a view of reducing the backlog of un-investigated balances.
- Enhance control processes to address weaknesses in maintenance and delivery of infrastructure.
- Performance indicators set in the SDBIP will be well-defined, targets will be specific and relevant to the performance indicators.

5.1.2. Commitments for 2022/ 2023

- Progress Report of the Audit Action Plan to assess the achievement of set target and hold HODs accountable.
- Progress report on the implementation of the Financial Recovery Plan
- Review the SDBIP before approval in order to assess whether sufficient budget is allocated for all Circular 88 and service delivery driven indicators.

5.2. The table below list meetings held by the Committee to review and process the 2023/ 2024 Annual Performance Report.

No.	MEETING TYPE and DATE	
5.2.1.	12th February 2025 MPAC Meeting <i>Annexure "A"</i>	MPAC meeting with AGSA was held wherein the latter presented and outlined the Audit outcomes of 2023/ 2024. Furthermore, the committee established the Technical Committee to address backlogs on UIFWE
5.2.2.	11th March 2025 MPAC Meeting	Pursuance to the review process of the Annual Report, the MPAC meeting held on 11 th March 2025 in Botshabelo Regional Offices (Chamber).

	<i>Annexure “B”</i>	In this meeting, the committee formulated questions precisely informed by the Annual Performance 2023/ 2024; AFS and Audit Outcomes. The Municipal Public Accounts Committee (MPAC) raised 45 questions to the City Manager and 6 questions to the CEO of the entity of the municipality (Centlec).
5.2.3	26th March 2025 MPAC Meeting <i>Annexure “C”</i>	<p>The Committee received updates on preparations of Public Participations/ hearings to solicit community inputs</p> <p>Furthermore, the meeting adopted the Terms of Reference of the Technical Committee to assist on issues of UIFWE.</p> <p>In this meeting, a request was made that the Senior Managers should be present in the public hearings so that they respond on issues to be raised by the community.</p>
5.2.4.	31st March to 3rd of April 2025 MPAC Public participation Meetings <i>Annexure D – D8</i>	<p>The MPAC embarked on program of Public Participations/ hearings to solicit the inputs from the communities within Mangaung Areas.</p> <p>The communities were afforded opportunity to raise questions, concerns, comments and inputs on Annual Performance Report 2023/ 2024; Audit Outcomes 2023/ 2024.</p>
5.2.5.	6th May 2025 MPAC Meeting <i>Annexure “E”</i>	The MPAC adopted the report for submission to Council to consider a request for condonation in tabling the Oversight Report 2023/ 2024 beyond timeframe.
5.2.6.	13th May 2025 MPAC Meeting <i>Annexure “F”</i>	<p>MPAC invited AGSA to the meeting to receive report and clarities on issues of Material Irregularities as were presented in the SCOPA.</p> <p>Furthermore, the meeting was expected to receive responses from the Accounting Officer- City Manager and CEO-CENTLEC on MPAC’s questions emanating from the Annual Performance Report; AG Report 2023/ 2024 as well as AFS. However, the item was deferred for following</p>

		meeting as senior managers both Municipality and entity did not attend the meeting.
5.2.7.	20th May 2025 MPAC Meeting <i>Annexure "G"</i>	The MPAC meeting received and considered presentations of the Accounting Officer- City Manager and CFO from CENTLEC on questions raised by the Committee.
5.2.8.	20th June 2025 MPAC Meeting <i>Annexure "H"</i>	Consideration of the Draft MPAC Oversight Report on Annual Performance Report 2023/ 2024. MPAC Meeting approved the Oversight Report 2023/ 2024 for submission to Council following the amendments made in this regard.

6. QUESTIONS EMANATING FROM ANNUAL REPORT 2023/ 2024 AND RESPONSES

Annexure I- I 2

According to MFMA Circular 32 requires, the Municipal Public Accounts Committee to raise questions with the Accounting Officer on any matter that the committee need clarity on. The Circular also requires that, questions should be responded to immediately during the committee meetings to avoid delays in processing the Annual Report of the Municipality by MPAC. MFMA section 129 (2)(a) requires the Accounting Officer to attend committee meetings especially where the Annual Report will be discussed wherein the Accounting Officer will be expected to respond to the questions emanating from the Annual Report.

To this end, the questions derived from the analysis made on the Annual Performance Report 2023/ 2024 were submitted accordingly to the City Manager, and CEO of CENTLEC for adequate responses to assist the Municipal Public Accounts Committee (MPAC) to conclude its work on the said Annual Report.

The questions raised by the MPAC covered a wide range of issues, including among others, budget allocations, expenditure reports, procurement processes, financial controls, and Basic Service delivery. However, the responses provided were in somewhat inadequate as there was a need for thorough clarities and follow ups with administration, which has also contributed to the delays in the finalisation of the Oversight Report.

7. ADVERTISEMENT OF THE 2023/ 2024 ANNUAL REPORT REVIEW PROCESSES

The Committee reports that, in compliance with the relevant sections of the legislation, the Annual Report review processes were advertised as follows,

7.1. Public Notice- Call for Comments

Annexure "J"

The Public Notice was issued in accordance with section 21 (1) (a-c) of the Local Government: Municipal Systems Act, (Act No 32 of 2000). The notice was meant to encourage members of the community of Mangaung and other stakeholders to submit representations accordingly. Furthermore, the Annual Performance Report for the year 2023/2024 was made available on the Municipality's website (www.mangaung.co.za) and copies were distributed to all Municipal Regional offices and libraries in Mangaung.

- **Bloemfontein:** Adelaide Tambo Public Library, Bainsvlei Library (Langenhoven Park), BP Leinaeng Library (Phahameng), Fichardt Park Library, Mangaung Library (Rockland), Trevor Barlow Library (Heidedal) and Lourierpark Library.
- **Bloemfontein South:** Leslie Monnanyane Building (MPAC offices)
- **Bloemfontein North:** Bram Fischer Building, Room 212b and 213b
- **Botshabelo:** Municipal offices, Botshabelo Library and Sechaba Mahobe Library
- **Thaba Nchu:** Municipal offices, and Selosesha Library
- **Soutpan:** Municipal offices, and Soutpan Library
- **Dewetsdorp:** Municipal offices
- **Wepener:** Municipal offices
- **Van Standenrus:** Municipal offices

It is important to note that the MPAC in respect to the submission of representations from public and other stakeholders, there were no written submissions received or found.

7.2. Advert- MPAC Public Participation/ Hearings

Annexure "K"

The advertisement for these hearings was placed on local radio stations, social media, and Municipal Newsletter. The schedule for the public hearings was as follows:

- 31st March 2025: Vanstadensrus Hall at 09H00AM, Wepener Qibing Hall at 12H00, Dewetsdorp Hall at 15H30
- 1st April 2025: Soutpan/ Ikgomotseng Hall at 10H00
- 1st April 2025 Bloemfontein, Grassland Hall at 15H00
- 2nd April 2025 Botshabelo H Hall at 11:00; Simson Sefuthi Hall at 15H00

- 3rd April 2025 Thaba-Nchu SASSA Hall at 10H00

These Public Participation/ hearings provided an opportunity for residents of Mangaung to voice their opinions, concerns, and suggestions regarding the performance of the municipality. It was a chance for the community to engage directly with municipal officials and provide valuable feedback on the services and programs provided by the municipality.

However, despite the efforts made to facilitate public participation/ hearings, the community of Mangaung expressed dissatisfaction with the process. One of the main issues raised was the absence of senior managers of the municipality to respond orally on their concerns respectively. This lack of representation from the municipality's administrative leadership was seen as a barrier to effective communication and accountability.

7.3. Announcement – Public Participations/Hearings

Notwithstanding the advertisement of the public participation/ hearings, the announcement was made in the Council Meeting held on 28th March 2025 about the matter. This was to remind and request the public representatives to assist in mobilisation, especially the councillors from host wards (venues of public hearings).

7.4. MPAC Public Hearings

7.4.1. MPAC Public Hearing at Vanstadensrus- 31st March 2025

- The meeting took place on 31st March 2025, at Vanstadensrus- Thapelong Community Hall, at 09H00AM. The meeting was successful in terms of attendance and members of public were provided with opportunity to voice out their concerns or comments in regard to the Annual Report and Audit Report for 2023/ 2024.
- The Community raised their displeasure about the absence of the senior managers from Mangaung Metro Municipality to provide answers on their concerns. In this regard, only CENTLEC was represented by the senior officials.

The following are some of the questions/comments by the members of the public during the public hearings at Vanstadensrus.

- *Ms. Manthekisi Senotshi (Member of public) complained that her house was burnt/ damaged by fire, remained without electricity and she did not receive assistance from the Municipality.*

- *Mr. Tankiso Lehoko indicated that 24 houses in the area were without electricity and when the Municipality would install electricity in those houses, as they were struggling*
- *Mr. Ditaba Lesekele raised a concern of unemployment, and continuous shutdown of water in the area.*
- *Mr. Molete Tau wanted to understand how the Municipal finances are utilised or spend*

In response to the questions of electricity, CENTLEC through Mr. Alfred Beuzana. (Chief Superintendent) responded accordingly.

7.4.2. MPAC Public Hearing at Wepener- Qibing Community Hall, 31st Mar 2025

The meeting took place on 31st March 2025, at Wepener-Qibing, at 12H00. The meeting was successful in terms of attendance by the community and had chance to raise concerns with the MPAC.

The community was enraged and expressed dissatisfaction with the meeting, stating that key officials who should address their questions and concerns were not present and furthermore questioned the purpose of the meeting if they could not be provided with answers and clarities on issues they had raised. They further warned that, in the future, the community may consider keeping officials' "hostage" to force the Heads of Departments (HoDs) to attend and respond to their issues.

The following are some of the questions/comments by the members of the public during the public hearings at Wepener- Qibing Community Hall.

- *Ms. Dieketseng Masego wanted responses on the service delivery that is deteriorating.*
- *Mo-Afrika Mosiuoa indicated that the Municipality should upgrade the pathway to cemetery, two shacks burnt down in 2010 and 2015 respectively, and are without electricity. Municipal buildings are without securities.*
- *Lani from address 3206 indicated that they are in need of VIP toilets (Pit-Latrines) for people with disabilities.*
- *Sofia extension seven and surrounding, roads are in poor condition which impede the operation of emergency services such as Ambulances. Lack of High-mast and streetlights contribute to criminal activity in the area*

- *The local library is not functional, and why the budget of Wepener was allegedly allocated to Dewetsdorp?*

In responding, an official from Centlec confirmed that the entity would follow-up on the issue that has been raised with regards to streetlights.

7.4.3. MPAC Public Hearing at Dewetsdorp Town Hall- 31st Mar 2025

The Public hearing took place on 31st March 2025 at Dewetsdorp, at 15H30, and the community attended and participated. In this meeting, senior managers from Mangaung Metro Municipality continued with their absenteeism. The senior officials from CENTLEC honoured the invitation by attending.

The following are some of the questions/comments by the members of the public during the public hearings at Dewetsdorp Town Hall.

In this Public hearing, the community member at address 316 Falhok raised a serious concern regarding electricity cable that has disconnected from the pole and currently lying on the ground. The community fears for the safety of children playing in the street, as well as for adults. The request was made for Centlec to urgently attend to this hazard to prevent any potential injuries or fatalities.

- *Mr. Thabiso Toai indicated that they struggle to be assisted during power outages as there is no Municipal Office in the area come to their rescue instead, they will wait for someone from Bloemfontein to come and assist. The Municipality should consider providing or creating permanent jobs instead of projects of six months.*
- *Mr. Mosioua indicated that services were not maintained accordingly in Dewetsdorp, such as unblocking of sewerage systems that are not being maintained, frequent water pipeline bursts, possibly due to small, inadequate piping installations.*
- *Lehlohonolo Sehobani emphasized that unemployment among youth is a growing concern, with many young people idle and lacking opportunities.*
- *Puseletso Selai raised concern that, the officials from Department of Home Affairs, Dept of Labour and SASSA often claim to be offline, resulting in delays and frustration for residents.*

In response, the Centlec Representatives indicated that they would follow-up on issues raised

7.4.4. MPAC Public Hearing in Soutpan 1st April 2025

Regarding the public participation in Soutpan, the attendance was not appealing which put the issue of mobilisation into question. The concern was raised with the Office of the Speaker, and it was addressed accordingly for future public participations.

7.4.5. MPAC Public Hearing in Bloemfontein Grassland Hall 1st April 2025

The Public hearing took place on 1st April 2025 in Bloemfontein- Grassland Hall, at 15H00. The meeting was successfully attended by the community, and they were allowed opportunity to raise concerns, questions and comments. In this public hearing, the HOD- Planning, Economic & Rural Development & Human Settlement (PERDHS) led the delegation of management from Mangaung, and also CENTLEC was represented.

The following are some of the questions/comments by the members of the public during the public hearings at Bloemfontein Grassland Hall.

- *Ms. Mamoshoeshoe, there is a lack of storm water and poor road conditions from Grassland to Oubass.*
- *Constance Kwena, at house number: 18218 in Bergam, water is accumulating in yard, front of the house.*
- *Mr. Maselwana Maselwane raised a concern that, some community members were illegally dumping waste in the open spaces in front of the yard of some residents which has negatively affected their health. The Municipality to provide a waste collection container so that residents can dispose their trash properly.*
- *Ms. Moleboheng indicated that, due to water shortages and sanitation issues, many residents had opted to dig their own toilets in their yards. The Ward Councillor promised residents that a budget of R50 million has been allocated for infrastructural development, but nothing has been done.*

Other matters raised by the community:

- The ward has abundant houses, requiring shelter for many young people. The question arises about ways to acquire these houses and renovate them.
- House no 1812: There is a serious concern raised by community member regarding the leaking toilets, absence of a door on the toilet and a leaking sewerage which poses a significant health hazard. She urges that the matter be treated as an urgent priority.

- That since MPAC is reviewing the implementation of the budget for 2023/ 2024, there was a budget for 2022/ 2023, therefore their area did not have even a single project from the mentioned financial year.
- At house number 19233 and 19232, toilets are incomplete, the service provider be requested to attend to it.
- The roads in Bergman are in poor condition, preventing ambulances from entering and picking up patients and there are unfinished toilets.
- In Grassland Phase 2, Centlec to assist with dealing with high mast light of which they had left the cable hanging which might trap electricity during the wet season, and the residents lodged a complaint however, Centlec took their time to address the matter.
- That trees need pruning as there are electric wires running over the trees.
- That electrification of informal settlements was still an issue and power outages at some areas.
- An elderly resident reported that after purchasing R500 worth electricity, she experienced difficulties loading it onto her prepaid meter. She then reported the matter to Centlec for assistance with the electricity token, and they installed a new meter box. But continued to face the same challenges in loading the tokens successfully.
- Community members keeping farming animals in their yards which might be dangerous, and can cause diseases, attract pests, and pollute the environment.
- The RDP houses have been constructed in the area; however, they remain unoccupied due to lack of essential service connections.
- A concern raised by residents regarding a monthly charge of R400 being paid to the Municipality for waste transportation services.

In response, HOD (PERDHS) indicated that, the community was informed that a budget has been allocated to address water and sanitation challenges in the area however, the allocated funds have to be moved to other projects. Also indicated that water and sanitation have been budgeted for in the upcoming financial year, the necessary work will be prioritized and implemented as part of the new budget cycle in Grassland 3.

7.4.6. MPAC Public Hearing in Botshabelo-H Hall 2nd April 2025

The meeting took place on 2nd April 2025, at H Hall, at 11H00AM. The meeting was successfully attended by community. In this meeting, HOD-Community Services led management of Mangaung, also CENTLEC representatives were in attendance.

Some members of the community were of the opinion that the meeting be postponed as they were not properly informed, however after in-depth discussion, they agreed to continue and make their inputs.

- That, the MPAC public participation process was a platform where the public is afforded an opportunity to pose questions to the administration on their performance as per the Annual Report therefore, the meetings should be streamed live the same as Council.
- That whether the organisational structure/organogram of the city was finalized and whether all those positions were budgeted?
- That in 2018, there were intake for learnership, and millions of rands were spent to train the learners but ultimately the Municipality appointed private companies instead of utilising those learners
- That it be noted that offices of the Municipality in Botshabelo did not have telephone landlines/ network, and most officials indicated that they had no access to emails.
- That whether informal settlements development had been budgeted for as issues of human settlements were a serious challenge for the residents including issues such as issuing out of title deeds, budget for industrial factories
- Why did the Municipality appoint private security as there were vacant security positions, however most Municipal buildings did not have any security officer/s?
- That it was not acceptable for the roads to be in terrible condition while on other side the traffic officers are issuing fines to drivers for unroadworthy vehicles.
- Which sphere of government was responsible to maintain the road to the cemetery, whether the Municipality or the Provincial government?
- That it was a concern for Botshabelo to have only one vehicle, one TLB to service the entire area.
- How was the Municipality dealing with issues of excessive overtime as raised by the Auditor General?
- That there is continuous illegal dumping of waste in open spaces due to non-collection of domestic waste.
- Why was Centlec charging other residents electricity connection fee and other residents were not charged?

- That most residents have not been receiving free basic electricity as indigent even though they had applied.
- That with the WIFI infrastructure was installed, however residents are expected to pay R300 for activation of this services.
- There was pipe burst at address 4052, which had been reported. However, the matter was still outstanding and poses danger to the residents.
- Why is the Municipality not eradicating VIP toilets but rather prefer to appoint private companies to empty those toilets instead of installing water borne toilets?
- How was it possible to bill R40 000 worth of water whereas the residents did not even have a water meter?
- That whether MPAC has been implementing its mandate as per legislation and MPAC holding the executive and administration accountable on issues such as unspent grants that have been returned to National Treasury, the investigation of UIFWE (unauthorized, irregular, fruitless and wasteful expenditure), decreasing revenue collection which had an impact on whether the budget was funded or not, timeous reporting, closing of the zoo etc.
- That has the investigation being conducted on the appointment of Maine which was not done correctly with regards to the indigent register?
- That the indigent register was outdated.
- Why is Centlec not honouring the Service Level Agreement they have with the Municipality?
- What was the Municipality's plan to deal with landfill sites that did not have no licenses and therefore being non-compliant?
- That the Municipality need to deal with issues of infrastructure, as they take too long to address water and sewer leakages.
- That the budget was passed to attend to service delivery and that is what supposed to be provided to the community of Mangaung Metro Municipality.
- That the Toyota Stadium degraded again, as it did not meet the set standard which meant that no more international games.
- Why did one of the HODs not declare interest on businesses he owned?

The responses to questions raised and comments made were as follows:

- ✓ That on issues raised relating to non-delivery of services such as illegal dumping due to non-collection of waste, provision of resources etc; the Municipality experience many challenges. The intervention team was brought to the Municipality assist however they left the Municipality in worse condition. Due to lack of resources and the current administration is working around the clock to ensure that they address the issues raised.
- ✓ That the relevant HOD is busy trying to finalize the contract for full-time maintenance of fleet.
- ✓ That the Municipality has a plan to deal with issues of overtime, however the matter had been impacted by shortages of resources.
- ✓ That on issues of zoo, a forensic investigation was done to get what transpired; however, zoo will be reopened before end of June 2025.
- ✓ That the Municipality has advertised a request for expression of interest on municipal land.
- ✓ That the Municipality has appointed four (4) private security companies to assist with guarding the Municipal buildings.
- ✓ That the learners were still undergoing training, all 200 recruited and retrained and thereafter positions will be advertised. The Municipality have made a proposal for the testing license renewal.
- ✓ That the Indigent register resides with the Municipality and only residents who applied and qualified as indigent household would then receive free basic services.
- ✓ That all other issues that had not been responded to, will be handed to the relevant HODs.

7.4.7. MPAC Public Hearing in Botshabelo-Simson Sefuthi Hall, 2nd April 2025

The Public hearing took place on 2nd April 2025 in Botshabelo-Simson Sefuthi, at 15H00. The meeting was successfully attended by the community, and they were afforded opportunity to raise concerns, questions and comments or inputs to the Annual Performance Report and Audit Outcomes 2023/ 2024.

- That the same questions and concerns were raised in the previous meetings, and they were certainly not addressed. Furthermore, the residents mentioned that they did not receive the report from the previous meeting since they were only sent to the libraries.
- That one community member indicated that he was receiving Municipal rates and taxes statements monthly although there were no water connections for his household and further requested that this matter be dealt with accordingly.

- The National Treasury is facing challenges with billing systems, waste treatment works lacking licenses, and tariff issues, requiring clarity on resolution.
- That Ward Councillor should monitor payments of the contractors, so they complete the projects. Councillor should be informed of tenders issued out by the Municipality so that they know starting and end of the projects.
- That Mangaung Metro employees only worked for 30 minutes thereafter they claim overtime.
- The community has requested that HODs to attend public participation meetings in their wards, as they have not attended these meetings in the past.
- That a complaint was made that capital budget was mostly for major companies to implement projects, why small businesses were not afforded the same opportunities?
- That residents experience the following challenges: poor or no stormwater drainage, water leakages, poor road conditions (potholes), power outages, provision of toilets, understaffed clinic and illegal dumping at open space and due to refuse not collected. When residents complain about the services, the officials take time to respond.
- That a concern was raised that some of the resident's struggle to get the indigent subsidy as most of community members are factory workers, work seasonally and resulting salary fluctuates (i.e. no stable income).
- That the municipal bills issued to indigent residents need to be attended to.
- That residents in Botshabelo have expressed dissatisfaction with issuing out of title deeds as other residents have already received their title deeds
- That the unattended animals roaming the streets were damaging other people's properties, need to be attended.
- That unemployment was a huge challenge especially youth unemployment, therefore, Municipality should solicit a way forward regarding the matter which had an impact on the high crime rate and usage of drugs. The Municipality should deploy law enforcement in those areas.

7.4.8. MPAC Public Hearing-Thaba Nchu SASSA Hall

The meeting took place on 3rd April 2025, at SASSA Hall, at 11H00AM. The meeting was successfully attended by community. In this meeting, HOD-Community Services led management of Mangaung, also CENTLEC representatives were in attendance

The community was afforded the opportunity to raise concerns, questions, comments and inputs. They community raised the following questions and comments:

- That it was not the first time the community were asking for delivery of services from the Municipality and has been asking the same things over the years.
- That the department responsible for Sports, Arts and Culture, they did not have the necessary support from the Municipality, for instances, requesting for gravelling of community sports fields, the response would also be there is no diesel, or an official of the Municipality would come from Botshabelo to come and assist.
- The sports grounds/fields need to be cleaned and maintained.
- That they had also been requesting the Municipality to assist with providing an office, for the past ± four (04) years for sports, arts and culture.
- That the high mast lights were not working more especially on cold weather, the Municipality assist with ensuring that those high mast light were functioning properly.
- That incomplete projects were a challenge in the community such as: - A project of construction of a hall at Selossha Extension 3 and it is still not yet completed.
- Unfinished toilets that were constructed, project has been running for the past three (03) to four (04) years without any progress. - Incomplete RDP houses
- That there were projects which were reported as completed, and contractors paid however, there was nothing to show on the ground.
- That the youth unemployment rate was high and yet millions of rands has been returned to National Treasury.
- That as the community, they were disappointed to be informed that approximately R50 million was returned to National Treasury especially when they had a good working relation with Ward Councillors.
- That gravelling of roads was of outmost importance for accessibility.
- That there were potholes all over the City and the municipal workers are claiming overtime for doing nothing.
- That waste collection was a challenge, and every time the Municipality would say it is because there was no diesel for waste collection trucks.
- That as Ward Committee members they were not satisfied with the way Centlec was operating especially when the community is reporting faulty issues/complaint to Centlec.

- That they would only receive reference numbers but with no responses from Centlec when a follow-up is made.
- How was Centlec working and what would be the turnaround time to attend to address issues raised by communities?
- That Ward 27 was still awaiting projects of installation of water and electricity.
- That the Motlatla community fell under the jurisdiction of Dewetsdorp however the community have challenges with reaching the Ward Councillor, therefore the Municipality should ensure that they attend to the issues of demarcations.
- That after the meeting what would happen? Would the community be given feedback, or was it just a formality? The community of Thaba-Nchu need services to be delivered as promised.
- That only three (03) Councillors attended the public participation meeting, the Chairperson should explain to the community what MPAC was about and its role in the Municipality.
- That's why Heads of Departments were not present at the meeting, the community did not need managers, but the Heads of Departments to respond to questions and concerns. The Municipality should respond to the community to explain why Heads of Department and the City Manager were not part of the MPAC public participation meeting.
- That the Auditor General findings were many, and the fact that the Heads of Departments and the City Manager were not present it meant that they were not taking MPAC seriously and no apologies were received from Heads of Department.
- That the notice was sent, outlining the venue and time of the meeting and it was only in the morning of the day of the meeting the revised notice was issued out changing the venue, which resulted the community getting lost.
- That the manner in which the Municipality was conducting the public meetings was a problem, the findings were not clearly indicated as on the Auditor's General report. The report had 42 pages and was detailed.
- That on the 25 of February, the Municipality submitted a report of hired people who were employed without being interviewed.
- That it was worrying that the Municipal debt was more than its assets. That the budget for the current financial year was approximately R10 billion, and a dam in Ward 39 is R39.15 million, in Ward 40, a hall is R15 million, and it was not specified at which area.

- That in Ward 39, Extension 27, a survey was conducted even though residents were already residing there.
- That the Municipal officials were working and claiming overtime and vacancies were advertised however, they had not been filled. The residents from Botshabelo and Thaba-Nchu were not employed by the Municipality.
- That when was the Municipality going to implement the shift system?
- That they noted that the IDP is the backbone of the Municipality, and it directs where the finances of the City should be spent.
- That informal settlements in their jurisdiction should be formalised.
- That since December 2025, Mangaung Regional Park had been without security and a lot of criminal activities were taking place there.
- That the Municipality must assist Councillors and community members to receive services especially those who were involved in disaster where their houses were blown away by thunderstorms and those that burned down.
- That indigents household were not getting free basic electricity from Eskom, how can the Municipality assist in that regard?

8 CRITICAL AREAS RAISED IN THE PAST BY AGSA WHICH REQUIRING INTERVENTION

For the period under review, the Auditor General has indicated number of issues that require intervention to address repetition of findings which are contributing to the adverse outcome of the Audit opinion. Therefore, a concerted effort and dedication of the senior management and executive authority is required to address amongst others, the following:

- 8.1. Reasonable steps not taken to safeguard Zoo animals
- 8.2. Poor management of Northern and Southern landfill sites
- 8.3. Reasonable steps not taken to prevent fuel losses
- 8.4. Lack of internal systems to address the issue of excessive overtime.
- 8.5. Lack of system in place to look into performance of the conditional grants to avoid any return to National Treasury.

- 8.6. Lack of consequence management
- 8.7. Outstanding investigation on application of Public Transport Network Grant (PTNG).
- 8.8. Lack of Monitoring and Evaluation on performance of contractors or service providers as required by section 116(2) of the MFMA. A similar limitation was also reported in the prior years.
- 8.9. The Urban Settlement Development Grant was not spent for its intended purposes in accordance with the applicable grant framework, as required by section 16(1) of the Dora
- 8.10. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

9. CHALLENGES AND PROPOSED SOLUTIONS

Notwithstanding, the grey areas which have contributed to regression in terms of Audit Report 2023/2024, there are challenges identified in this process of the conclusion of the oversight report.

CHALLENGES	PROPOSED SOLUTIONS
<p>9.1. Delays in the tabling of MPAC Oversight Report 2023/ 2024 due to the following underlying factors:</p> <p>9.1.1 Challenge on availability of venues and also challenge in terms of non-attendance of MPAC Public hearing meetings by senior managers to respond on issues from communities.</p>	<p>9.1.1. The Committee to ensure the next Oversight Report 2024/ 2025 is finalised and submitted to Council for adoption in accordance with the requirements of MFMA Section 129(1).</p> <p>The City Manager and all HODs must attend all MPAC Public hearing meetings on the annual report to give prompt responses to questions raised by the Communities.</p>
<p>9.1.2. Continuous lack of support or cooperation from Senior Managers who failed to provide responses to questions raised by MPAC and the</p>	<p>91.2 Consequence Management be considered as the correcting measures</p>

CHALLENGES	PROPOSED SOLUTIONS
community at large emanating from Annual Report 2023/ 2024	
9.1.3. Non-attendance of MPAC public hearings of March-April 2025 on the Annual Performance Report 2023/2024 by the Executive Management/ Senior Managers from Municipality who were absent except for only two HODs who attended some Public hearings. This behaviour of non-attendance from Senior Managers is alarming.	9.1.3 Investigation be made on non-attendance of Senior Managers on public hearings for Annual Report 203/ 2024, and City Manager to provide report within 30 days to MPAC and subsequently to Council.

9.2. CUMULATIVE UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (ESTABLISHMENT OF TECHNICAL COMMITTEE ON UIFWE ISSUES)

Mangaung Metropolitan Municipality has historical backlog of Unauthorised, Irregular, Fruitless and Wasteful Expenditure which figures accumulative since 2020/2021 to 2023/2024.

Therefore, in response to the matter the MPAC had in between the process of reviewing and analysing the 2023/ 2024 Annual Report for the purpose of compiling the Oversight Report, concluded to establish the Technical Task Team/ Committee to assist it with the backlog of investigating both historic and current, UIFW Expenditures.

10 CONCLUSION

The Oversight Report for period under review is tabled not within legislative period of two months from 1st February 2025 to 31st March 2024 due to some developments that took place. Although the hurdles we encountered, the committee continued its journey for development of the MPAC Oversight Report 2023/ 2024, and it has been quite a challenging exercise.

I need to thank and applaud the members of the committee for their time in ensuring the task at hand succeeds to ensure there is accountability, transparency as well as good governance. My gratitude goes to the people of Mangaung who did not despair when invited into the public hearings, you spoke, and we have listened. My gratitude extends to the dedicated Committee Members, Technical Advisors, and Committee Service to ensure that this Oversight Report becomes reality.

11. RECOMMENDATIONS

- 11.1 The Council having considered the Annual Report 2023/ 2024 of the Municipality and representation thereon, adopts MPAC- Oversight Report in line with section 129 of the MFMA 56 of 2003, as amended.
- 11.2. That the Council approves Annual Report 2023/ 2024 with reservations. Management did not adequately address prior year findings raised due to slow response and deficiencies in the internal control systems as a result there are still some repeat findings that were raised in the current year.
- 11.3 The City Manager (Accounting Officer) must provide the MPAC with a report on how issues raised under paragraph 8 above have been addressed within 14 days following the approval of the Oversight Report by the Council.
- 11.4. The Executive Mayor and City Manager must provide the MPAC with the outcome of the investigations of the IPTN within 14 days following the approval of the Oversight Report by the Council.
- 11.5. Council to expedite the approval of MPAC Report on the establishment of the Technical Committee to assist MPAC with investigation of the Unauthorised, Irregular, Fruitless and Wasteful Expenditures.

MPAC OVERSIGHT REPORT ON THE ANNUAL REPORT 2023/ 2024

Submitted by:


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CLLR. IJ MAKOLOANE
CHAIRPERSON-MPAC

DATE: 23/06/2025