



Mbashe Local Municipality Oversight Report for 2017/18

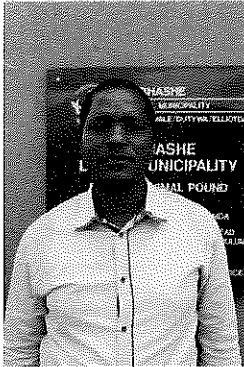
MPAC CHAIRPESON

Table of contents

Page 1 of 28

CHAPTER ONE.....	3
FOREWORD BY THE CHAIRPERSON.....	3
CHAPTER 2.....	5
BACKGROUND.....	5
CHAPTER 3.....	5
FUNCTIONS OF THE OVERSIGHT COMMITTEE.....	5
CHAPTER 4.....	6
4.1 COMPOSITION OF THE OVERSIGHT COMMITTEE (MPAC).....	6
4.3 LEGISLATIVE AND REGULATORY FRAMEWORK.....	7
CHAPTER 5.....	8
5.1 Consultation.....	8
CHAPTER 6.....	10
OVERSIGHT COMMITTEE FINDINGS.....	10
6.1 General processes towards finalization of the Annual Report.....	10
6.2 Annual Report findings.....	11
CHAPTER 7.....	16
PUBLIC COMMENTS.....	16
Elliotdale Comments:.....	Error! Bookmark not defined.
Willowvale comments:.....	Error! Bookmark not defined.
Dutywa Comments.....	Error! Bookmark not defined.
CHAPTER 8.....	27
MPAC COMMENTS AND CONCLUSSION.....	Error! Bookmark not defined.
CHAPTER 9.....	27
MPAC RECOMMENDATIONS.....	Error! Bookmark not defined.

CHAPTER ONE FOREWORD BY THE CHAIRPERSON



MPAC CHAIRPERSON CLLR. SD Kalityi

The MPAC to exercise its oversight, it took cognisance the question of transparency and openness. The risk of dismissal to non-compliance there are most sensitive things done by MPAC members to exercise their role and responsibilities, and your conscience should guide you not to be misguided. It is our duty as MPAC to access and uphold the good name of our local municipality. To give guidance without favour or prejudice.

The chairperson is always at the centre to consider and determine a sense of good governance. I therefore, determined that this council meeting would come at strategic period when I am going to present to you leadership and management a very serious document an oversight report that would be our bible for our long journey. Our social partners, communities and the world will judge us about our IDP and Budget implementation strategies. This is indeed our bible for our democratic responsibility and accountability.

The Council of Mbhashe Local Municipality has the responsibility to oversee the performance of the Municipality, as required by the Constitution, the Municipal Finance Management Act (MFMA) and the Municipal Systems Act (MSA). On the 30th August 2018, Council considered the Draft 2017/18 Annual Report of Mbhashe Local Municipality and referred the Report to the Municipal Public Accounts Committee for scrutiny and the drafting of this Oversight Report. The Oversight Report is the final major step in the annual reporting process of a municipality. Section 129 of the MFMA requires the Council to consider the Annual Report and to adopt an Oversight Report containing the Public comments on the Annual Report.

The Oversight Report is therefore clearly distinguished from the Annual Report. The Oversight Report is a report of the Municipal Council and follows consideration and consultation on the Annual Report by the Council itself.

The Municipal Public Accounts Committee of the Mbhashe Local Municipality fulfils the oversight role of Council. The mandate of the Municipal Public Accounts Committee includes an analysis of the institution's Annual Report and the development of appropriate recommendations to Council.

The meetings of the Municipal Public Accounts Committee on the 2017/18 Annual Report, as reflected below, was conducted to interrogate the Annual report:

- 2nd October 2018
- 3rd October 2018 and
- 4th October 2018

Furthermore, the 2017/18 Annual Report was subjected to a public participation process during November month as follows:

- 14th November 2018 Elliotdale at Madwaleni and TRC Hall
- 16th November 2018 Willowvale at Badi and TRC Hall
- 19th November 2018 Dutywa at Timane and Town Hall

It is during this process where members of the Municipal Public Accounts Committee, the political leadership of Mbhashe Local Municipality engaged with the communities of the various Wards. In addition, copies of the Draft 2017/18 Annual Report were made available for inspection at all municipal libraries and municipality offices. The Annual report was further submitted to the Auditor General, National Treasury, Provincial Treasury and the department of Local Government and Traditional Affairs as required by the Legislation.

The Municipal Public Accounts Committee noted both improvements and targets that were not achieved in certain performance areas, as reflected in the 2017/18 Annual Report.

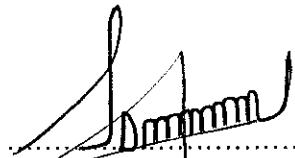
The appointment of the new Senior Managers also had a great positive impact during the Annual Report processes although their appointment has not been stated on the Annual Report. It is only fair to highlight that the commitment showed by the members of the committee during the interrogation of the Annual Report, visiting a number of wards for projects verification and during the road shows.

I would also like to thank the officials of the municipality for being patient and assisting the committee throughout the process.

It is for the best interest of the council to note that the MPAC under the financial year under review has not been functioning well or effective as required due to the lack of MPAC personnel but finally MPAC Secretary has been appointed on the 15th November 2018.

The committee humbly request the council to consider the approval of MPAC Manager in the organogram.

The MPAC would like to thank all the relevant participants for their support and cooperation during the oversight process. The MPAC believes that Mbhashe Local Municipality and its citizens will realise substantial and tangible benefits if a similar process is consistently followed in years to come.



.....
COUNCILLOR SD. Kalityi
MPAC CHAIRPERSON

CHAPTER 2

BACKGROUND

The oversight role of Council is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between Council, the Executive Committee and Administration. Good governance, effective accountability, and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.

Non-executive Councillors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the Executive Committee. In other words, in exchange for the powers in which Council have delegated to the Executive Committee, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the municipality.

The Municipal Finance Management Act, No.56 of 2003 (MFMA) vests in Council specific powers of approval and oversight:

- Approval of budgets;
- Approval of Budget related policies; and
- Review of the Annual Report and adoption of the Oversight Report.

CHAPTER 3

FUNCTIONS OF THE OVERSIGHT COMMITTEE

The functions of the Oversight Committee are to:

- Undertake a review and analysis of the Annual Report.
- Invite, receive, and consider inputs from Councillors and Portfolio Committees, on the Annual Report.
- Consider written comments received on the Annual Report from the public consultation process.
- Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report.
- Receive and consider Council's Audit Committee views and comments on the annual financial statements and the performance report.
- Preparation of the draft Oversight Report, taking into consideration, the views and inputs of the public, representative(s) of the Auditor-General, organs of state, Council's Audit Committee and Councillors.

CHAPTER 4

4.1 COMPOSITION OF THE OVERSIGHT COMMITTEE (MPAC)

The Oversight Committee is a committee of Council established under section 79 of the Municipal Structures Act, 1998. Section 79, allows for the co-option of advisory members to a Committee of Council, who are not members of the Council.

Due to the separation of roles and responsibilities, between Council and the Executive (Mayor and Executive Committee) it is not appropriate that members of the Executive Committee be members of the Oversight Committee.

The Council appointed the following councilors to serve on the MPAC during the financial year under review.

Number	MPAC MEMBER	GENDER
1.	CLLR S.D Kalityi (Chairperson)	M
2.	CLLR P. Makeleni	M
3.	CLLR N. Ngwena	F
4.	CLLR K.D Msindwana	M
5.	CLLR X.P Baleni	F
6.	CLLR V. Matiwane	F
7.	CLLR S.C Livi	F
8.	CLLR N. Ncetani	F
9.	CLLR S. Mrobo	M
10.	CLLR N. Magatya	F
11.	CLLR N. Namba	M
12.	CLLR T.S Sitwayi	M
13.	Chieftain N.A Sigcawu	F

4.2 Authority & Power

The Oversight Committee is delegated for the responsibility to conduct meetings and to hold public hearings to receive and hear public submissions on the Annual Report, on behalf of Council.

Timely notice of all meetings should be given and all meetings held by the Oversight Committee must be open to the public and minutes of the meetings must be submitted to Council meetings.

4.3 LEGISLATIVE AND REGULATORY FRAMEWORK

No	SOURCE	PROVISION OF THE ACT/ REGULATION
1.	Municipal Structure Act No. 117 of 1998	Establishment of Oversight Committee
2.	Joint Guidelines by Department of Cooperative Governance and National Treasury (2011)	Establishment of Oversight Committee and generic functions
3.	Municipal Finance Management Act No 56 of 2003	<ul style="list-style-type: none"> • Section 129: Council must consider the Annual Report of the Municipality. • Prepare an Oversight Report. • Allowance for the submissions and address by the members of the community
4.	Department of Cooperative Governance and National Treasury Guidelines [2011]	<ul style="list-style-type: none"> • To consider and evaluate the content of the Annual Report and make recommendation to council when adopting an Oversight report on the Annual Report
5.	Department of Cooperative Governance and National Treasury Guidelines [2011]	<ul style="list-style-type: none"> • To examine the Financial statements and audit report of the Municipality and consider improvements • Consider and evaluate the extent to which the Audit Committee and the Auditor General's recommendations have been implemented • To promote Good Governance, transparency and accountability on the use of Municipal resources.
6.	Municipal Finance Management Act No 56 of 2003	<ul style="list-style-type: none"> • To monitor compliance with Sections 52(d), 71,72,88 and 166 reports
7.	Municipal Systems Act No. 32 of 2000	<ul style="list-style-type: none"> • To monitor compliance with section 25,34,39,54 reports
8.	Local Government: Municipal Planning and Performance Management Regulations [regulation 6]	<ul style="list-style-type: none"> • To review the draft annual Budget and ensure that it is informed and aligned to IDP
9.	Department of Cooperative Governance and National Treasury Guidelines [2011]	<ul style="list-style-type: none"> • MPAC may engage directly with the public and consider public comments when received. • Will be entitled to request documents or evidence from the Accounting officer of the Municipality. • In cases of irregular expenditure or wasteful and fruitless expenditure, MPAC have the right to call upon the Accounting Officer
10.	Municipal Finance Management Act Circular 32	<ul style="list-style-type: none"> • Structure and content of Oversight Report. • Resolutions and statement
11.	Municipal Public Accounts Committee: Terms of Reference on the 31 st October 2011.	<ul style="list-style-type: none"> • Regulations on the processes and protocols of communication as well as delegated functions by Council
12.	Institution Policies assortment as per Departments	<ul style="list-style-type: none"> • Budget and Treasury • Human Resources Policies • By-laws • Council Standing Orders • Assortment of Plans

CHAPTER 5

5.1 CONSULTATION

This section presents a very brief overview of consultations with the various stakeholders and Structures within the municipality as a measure of providing them with space and opportunity to make representations and submissions as set out in both the Municipal Finance Management Act and the Municipal Systems act.

The Municipal Public Accounts Committee is by law obliged to consider all representations in connection to the annual report received from the local community, in its preparation and draft of the Oversight Report. Section 130 (1) (a) prescribes that time be allowed for the discussion of any written submission's received from the local community or organs of the state on the Annual Report.

The Committee followed the process of Annual Report in the following manner:

Structure and responsibility	Date	Activity
Mayor	30 th August 2018	Tabling of Draft Annual Report to council
Oversight Committee	2 nd , 3 rd and 4 th of October 2018	Interrogation of the Annual Report by the committee
Public hearing	14 th November 2018	Invite public to make comments on the Annual Report (Elliotdale)
Public hearing	16 th November 2018	Invite public to make comments on the Annual Report (Willowvale)
Public hearing	19 th November 2018	Invite public to make comments on the Annual Report (Dutywa)
Oversight Inauguration meeting	27 th November 2018	Formulation of the draft Oversight Report
Oversight Committee	7 th December 2018	Tabling and adoption of Oversight Report to council
Municipal Manager	14 th December 2018	Make Oversight Report public.
Municipal Manager	14 th December 2018	Submit minutes of the council to the Auditor General.
Municipal Manager	14 th December 2018	Submit Oversight Report to Provincial and National Treasury
Municipal Manager/Strategic Manager	14 th December 2018	Submit Oversight report to Local Government

Section 121 (a) of the Municipal Finance Management Act (Act No. 56 of 2003) states that, "Every Municipality and every municipal entity must from each financial year prepare an annual report in accordance with this chapter."

Section 121 (3) (a) to (k) then specifies the specific elements of report that must be included in the Annual Report as follows:

- a) The annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor – General for audit in terms of section 126(1);

- b) The Auditor-General's audit report in terms of section 126(3) on those financial statements;
- c) The annual performance report of the municipality in terms of section 46 of the Municipal Systems Act;
- d) The Auditor-General's audit report in terms of section 45 (b) of the Municipal Systems Act;
- e) An assessment by the municipality's accounting officer on any arrears on municipal taxes and service charges;
- f) An assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred in section 17 (3) (b) for the revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant year;
- g) Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);
- h) Any explanations that may be necessary to clarify issues in connection with the financial statements;
- i) Any information as determined by the municipality;
- j) Any recommendations of the Municipality's audit committee; and
- k) Any other information as may be prescribed.

The MPAC has perused the report and assessed its structural arrangement and generic compliance as set out in the elements of section 121 of the MFMA and came to the following conclusions:

Mbhashe Local Municipality Oversight Report 2017-2018

- The 2017/18 Annual report is structurally compliant with the paragraphs as set out in section 121 1 to (of the MFMA).
- Sections 127 (2) requires the Mayor of the Municipality to within seven months after the end of the financial year, table in the municipal council the annual report of the municipality.

The 2017/18 Draft Annual Report was tabled to council on the 07/11/2018. To this end the Municipal Public accounts Committees is satisfied that the Mayor complied with the prescripts.

The Accounting Officer of the municipality is further obligated in Section 127 (5) to," immediately after an annual report is tabled to council" perform the following:

- Make public the annual report
- Invite the communities to submit representations in connection with the annual report
- Do so in terms of section 21A of the Municipal Systems Act which prescribes that all documents that must be made public by the municipality as required by both pieces of legislation namely the Municipal Systems Act and the Municipal Finance Management Act must be conveyed to the communities as follows:

- a) By displaying the documents at the municipality's main offices and satellite offices and libraries.
- b) By displaying the documents on the municipality's official website
- c) By notifying the local community, in accordance with section 21, of the place, including the website address, where detailed particulars concerning the documents can be obtained.
 - Section 21 of the Municipal Systems Act prescribes that when communicating anything to the local community in terms of this act or any other legislation, the following must be done:
 - make use of the local newspaper or newspapers in its area
 - Such a newspaper must have been determined by Council as newspaper of record
 - That communication must be done by means of radio broadcasts covering the area of the municipality

Section 21(2) further stipulates that any such notifications must be in the official languages determined by the council, having regard to language preferences and usage within the area.

Section 21 (4) determines that when a municipality invites the local community to submit written comments or representations on any matter before the council, it must be stated in the invitation that any person who cannot write may come during office hours to a place where a staff member of the municipality named in the invitation, will assist that person to transcribe that person's comments or representations.

Section 6 (e) of the Municipal Systems Act, obligates the municipal Administration to give members of the local community full and accurate information about the level and standard of municipal services they are entitled to receive.

CHAPTER 6

OVERSIGHT COMMITTEE FINDINGS

6.1 GENERAL PROCESSES TOWARDS FINALIZATION OF THE ANNUAL REPORT

Section 6(f) further instructs the Administration to, "inform the local community how the municipality is managed, of the costs incurred and the persons in charge".

In reference and regards to the above the MPAC explored all relevant documents which included the following:

- Public Notice or invitation copy in terms of section 127 (5) (b)
- Portfolio of evidence on making the annual report public.
- Radio broadcast portfolio of evidence
- Website placements
- Record of walk-in queries and copies of submissions and/or representations

The committee after viewing and interacting with documents submitted to it arrived at the following determinations

The Publication of the 2017/18 Annual report did not fully comply with the prescripts of sections 127 (5) of the MFMA and sections 21, 21A of the Municipal Systems Act in that:

- The municipality complied with section 127 (5) of the MFMA as the copy of the advert was made aware.
- There was no notification made by means of radio broadcast covering the area of the municipality.
- The advert was also placed on the Municipal website.

The audit report was not part of the Annual Report as the AG was still busy with the audit.

- The two key vital components enhancing community participation namely, accessibility and language were not satisfactorily optimized. Community members were not pleased with the use of abbreviations, percentage and quantity and not to specify areas where services were rendered as a result they enquired further explanations. The issue of local language was raised in the last Oversight Report and was also highlighted during the MPAC Road Shows.

The Municipal Public Accounts Committee has noted few gaps and omissions in the compilation of the Annual Report something that if not addressed has a potential that threatens the credibility and reliability of the Annual Report

6.2 ANNUAL REPORT FINDINGS

The MPAC has the responsibility as the oversight committee of the council to advise on the correctness, reliability of the information contained in the Annual Report.

The MPAC interrogated the Annual Report on the 2nd, 3rd and 4th of October 2018 and the following was noted:

Number 1

CHAPTER 1

Mayor's foreword and executive summary

COMPONENT A

MAYORS FOREWORD: The format on the actual annual report is not reflected as per guide Comment is omitted towards the end of mayor's foreword.

COMPONENT B

EXECUTIVE SUMMARY: Is not adequately reflected as compared with the guide i.e. on the guide reflects as executive summary and on the report as the municipal manager's foreword.

MUNICIPAL MANAGER'S OVERVIEW: The issue of construction of storm waters is not reflected on the annual report. Construction of new gravel roads is not specified as per guide.

1.1 SERVICE DELIVERY PERFORMANCE: No specific references. The information is inadequate compared to the previous annual report, in terms of the percentage department with high service delivery performance is not specified.

1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW: Guide not followed in terms of population table i.e. 0-4, 5-9, 10-19, is omitted. Household graphical presentation is not provided as per guide.

1.3 SERVICE DELIVERY INTRODUCTION: Total number of KPIs as per annual performance report is not aligned with the annual report. There is inconsistency with the information provided for instance community halls are specified whereas roads are not specified. Municipality constructing houses for destitute of which in terms of the systems act it is not its core-function.

1.4 FINANCIAL HEALTH OVERVIEW OPERATING Ratios: Employee costs over by 1% as per the guide it should be 30% so the question is what is the relation between EPWP person which is 99% and employee cost which is employee cost?

1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW: There is error on numbering.

1.6 AUDITOR GENERAL REPORT: The information is not talking as per guide.

1.7 STATUTORY ANNUAL REPORT PROCESS: There is numbering error, 1.7 has been omitted the information that was supposed to be included is in 1.6.

CHAPTER 2

GOVERNANCE

INTRODUCTION: There is a dramatic error in the last sentence and the language is very negative.

COMPONENT A

POLITICAL AND ADMINISTRATIVE GOVERNANCE: Approach- political governance is not specifically reflecting. The political arm, section 79 and 80 are not clearly stated. Political structure there is an error in number of councilors (PR)

POLITICAL DECISION- TAKING: Council resolution register is not reflected in the annual report. Punctuation error in the sub heading in the annual report.

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION: The name of the newly appointed s57 manager do not appear in the annual report. The name of the newly appointed municipal manager and senior manager operations are not stated in the annual report.

COMPONENT B

INTERGOVERNMENTAL RELATIONS: Full information on Intergovernmental relation is not stated. Information in regards with national and provincial intergovernmental structure is omitted.

COMPONENT C

PUBLIC ACCOUNTABILITY AND PARTICIPATION: There is in consistency in numbering 2.4 as per the guide in public meetings whereas in the actual annual report reflect as 2.3

2.4 PUBLIC MEETING: The first bullet is incomplete. Matters raised by community members and responses are not stated. Nothing talks about the use of municipal website on the annual report.

COMPONENT D

CORPORATE GOVERNANCE

CHAPTER 3

INTRODUCTION OF SERVICE DELIVERY: The paving is not stated as to which town. Installation of solar should be indicated.3.1 as per the guide is water services and as a result the sequence is going to be affected.3.2 Waste management as per guide. Waste management in the Annual Report appears to be misplaced. From 3.1-3.2 not clearly stated in the annual report.3.3 Please provide the update on the R10 million which was provided by Council for the Shixini projects.

The following tables were omitted:

Electricity service delivery levels below the minimum. Electricity services policy objectives taken from IDP. To check the resolution register for a Shixini. Waste management duplication. Omissions: Table 3.4.3 and Table 3.4.4. There is a contradiction in the introduction and a comment where it states that landfill sites are licenced yet the two landfill sites are licenced for closure.3.5 only focused on rural and also challenges. Financial

performance table is omitted "about 100" not precise also the poorly built should also be included at Dutywa.3.6 Nothing' talks about the policy. The reviews of indigent register is not reviewed yearly. A brief summary on beneficiaries of indigent participants.3.7 explain in brief your strategy not addressed. The steps taken towards achieving implementation is not addressed. Successes and challenges are addressed.

Table – Capital projects the table /need to be explained. Comment on the performance of roads overall not specified which wards (30) wards.

3.9 Where are the bridges going to be constructed? Where is the paving going to be done? How much is the budget. Should not only focus on along the coast bridges. Storm water damage duplication.3.10 July Table 3.10.2 table filled

3.10 Table 3.10.3-6 is not completed.3.11 2015 LED Strategy is it not supposed to be reviewed annually. Copy and paste.

COMPONENT D.

3.12 As per guide misalignment. Copy and paste.3.13 Copy and paste. 3.14 Copy and paste. 3.15 **COMPONENT E** not numbered. Table 3.15.3-Table 3.15.7 are not captured. 3.16 Bio- Diversity, landscape, not numbered in the Annual Report to verify for the possibility of copy and paste. Table 3.16.3, Table 3.16. 4 and Table 3.16.6 are not in the Annual Report.3.17

COMPONENT F: is done by the district.

COMPONENT G:

To verify the information provided for the possibility of copy and paste. 3.21 Fire- not reflected in the Annual Report

COMPONENT H

To identify wards which were provided with nets

COMPONENT I

Table 3.25.3 is omitted. Comment on the performance of financial services were not provided. 2.28 Is Not in the Annual Report. Archives open in the annual report but not guide.3.28 how was the improvement of leases.

CHAPTER 4

COMPONENT B

Not attended to in the Annual Report. 4.3 there is a contradiction in the introduction where it states that there were no injuries yet they were. Table 4.3.1 is not in the Annual Report. The graph showed Jan 00 needs clarity. No comments on injury and sick leave. No comments on suspension and cases of financial misconduct.4.4 Performance rewards. Performance rewards by gender.

COMPONENT C

Tables 4.5 and Table 4.5.3, 4.6

COMPONENT D

There is No graph

COMPONENT A-T

Some of tables are not shown in annual report as per guide and others not doing what's supposed to be done as per guide. There are gaps on comments and misalignment of numbering.

COMPONENT A

STATEMENT OF FINANCIAL PERFORMANCE: 5.1 Statement of financial performance did not appear in Annual Report. 5.2 There are no comments in the Annual Report on operating transfers and grants i.e For Municipal Infrastructure Grant (MIG), For other conditional transfers including Neighborhood Development Partnership Grant (NDPG); Public Transport Infrastructure and Systems Grant (PITS) and Dora. No Comments on the variances for the table on high value projects and on remaining project. 5.3 No brief overview of asset management practiced within the municipality and there are no key elements in Asset Management Policy outlined in Annual Report as per guide. No explanation on how asset management were organized, explanation of staff involved and their key delegations on annual report as per guide. No table showing treatment of the largest assets acquired by municipality in the Annual Report as per guide. No relevant comments on repairs and maintenance of expenditure. 5.4 No total outstanding service debtors and creditors system, no efficiency on key performance indicators on Annual Report as per guide.

COMPONENT B

SPENDING AGAINST CAPITAL BUDGET: No capital projects mentioned in the Annual Report as per guide and the source of funding is not reflected in the Annual Report as per guide. The bag lock is not appearing in the Annual Report as per guide i.e on construction.

COMPONENT C

CASH FLOW MANAGEMENT AND INVESTMENT: 5.7 & 5.8 on the Annual Report are not the same as on the guide. Cash flow outcomes are excluded on the Annual Report as per guide.

COMPONENT D

OTHER FINANCIAL MATTERS: 5.9 & 5.10 on the Annual Report are not the same as on the guide.

CHAPTER 6

AUDITOR GENERAL FINDINGS: Under auditor general unable to identify the gaps to the guide.

APPENDIX B: Does not mention municipal committee's as per guide.

APPENDIX F: Information is not talking as per guide i.e talking about ward information instead of total value of the project done (capital projects) as per guider.

APPENDIX R: Does not appear in the Annual Report as per guide.

APPENDIX S: Appendix S of the guide is contrary to Appendix S of annual report.

There is no appendix T on the guide.

Number 2

Please provide a brief response to the questions raised by the public.

MANAGEMENT COMMENT ON COMMUNITY ISSUES: - *The management has not yet responded to the clarity seeking questions, on comments and suggestions by the communities due to time as we all know that the MPAC has been busy with the finalization of projects verifications. Furthermore the committee is also looking forward to verify also the projects raised by communities those that are not yet finished and those that are not properly done. The committee will arrange a strategic session with the municipal leadership and management to discuss the mitigation plans on issues raised by the communities.*

6.3 Audit outcomes for the financial under review

At the time of the review or interrogation of the Annual Report, it was noted that the office of the Auditor General was still busy auditing the municipality.

CHAPTER 7

PUBLIC COMMENTS-

The oversight Committee visited the three units for public comments in the Annual Report. The presentation was welcomed and appreciated by community members in all units and the following were the comments and requests from the public:

Annual report

DEPARTMENT	COMMENTS AND REQUESTS	WARD	UNIT
LED	2 sheering sheds in Ngqatyana only one was built	26	E/DALE
INFRASTRUCTURE	Access road Madwaleni to Bomvana	16	E/DALE
INFRASTRUCTURE	Access road fromTayi to Qwili	26	E/DALE
INFRASTRUCTURE	Sports facilities in Elliotdale	32	E/DALE
INFRASTRUCTURE	Road to Phuthuma is not yet finished	17	E/DALE
COMMUNITY SERVICES	EPWP (ooCambalala) should be equipped	17	E/DALE
INFRASTRUCTURE	Access road from Maqolo to Gqubhuzeni needs attention	16	E/DALE
INFRASTRUCTURE	Access road from Zembe to Magoxo	17	E/DALE
INFRASTRUCTURE	No access road to the voting station	17	E/DALE
INFRASTRUCTURE	Community Hall needs to be fenced	28	E/DALE
COMMUNITY SERVICES	Increment for EPWP	26	E/DALE
COMMUNITY SERVICES	EPWP should be furnished with tools of trade	18	E/DALE
LED	Dipping tank at Hobeni is not yet	20	E/DALE

	finished.		
COMMUNITY SERVICES	CWP who are employed but they are not performing their duties	18	E/DALE
INFRASTRUCTURE	Road from Mpolo to Hadi needs to be maintained.		E/DALE
COMMUNITY SERVICES	tables and chairs for community halls	29	W/VALE
INFRASTRUCTURE	Electrification of extensions was requested. Shixini and Badi needs to be energized	24	W/VALE
INFRASTRUCTURE	New sites at Xonyeni with no electricity	28	E/DALE
COMMUNITY SERVICES	Requesting paraffin while waiting for electricity Installation	Xonyeni	W/VALE
LED	Housing destitute how far is the project.		W/VALE
AMATHOLE	No water	24	W/VALE
INFRASTRUCTURE	Road maintained at Shixini and Nomawaka		W/VALE
INFRASTRUCTURE	Requested additional high mast.	24	W/VALE
HOD's	Clarity on KPA's as what happened to 5% that was not achieved.		W/VALE

CORPORATE SERVICES	Difference between unqualified and clean audit.		W/VALE
INFRASTRUCTURE	Clarity on 2 projects at shixini, Ntsimbakazi and Gosani.	25	W/VALE
INFRASTRUCTURE	Requested Grading of sport fields	25	W/VALE
LED	Requested Agricultural services	29	W/VALE
INFRASTRUCTURE	Road maintenance at Upper Ciko	25	W/VALE
Human Settlements	Clarity on funding of houses that were left unfinished.	Town	W/VALE
AMATHOLE	Nkonkwane requested water services.		W/VALE
INFRASTRUCTURE	Grading of sport grounds	27	W/VALE
COMMUNITY SERVICES	Upper Dadamba Rural waste collection, only 1 car allocated to collect waste and no supervisors.		W/VALE
AMATHOLE	No water services at Upper Dadamba		W/VALE
INFRASTRUCTURE	One community member appreciated services rendered at Mboya, road was maintained and toilets were done as promised.	30	W/VALE

INFRASTRUCTURE	No road at Papasini		W/VALE
AMATHOLE	No water at Phaphasini		W/VALE
COMMUNITY SERVICES	Follow up on communal cemeteries	27	W/VALE
INFRASTRUCTURE	Requested grading of sports fields	27	W/VALE
DEPARTMENT OF EDUCATION	No scholar transport for students from Mgweli to Mente.		W/VALE
AMATHOLE	No water at Mgweli.		W/VALE
AMATHOLE	No water at Bolotwa	6	DUTYWA
INFRASTRUCTURE	Grading of potholes	6	DUTYWA
AMATHOLE	Unfinished service delivery of toilets	06	DUTYWA
COMMUNITY SERVICES	To provide a List of number of houses that were built in each unit.	6	
LED	Clarity on Agricultural development as to why the focus is in maize farming.	6	DUTYWA
INFRASTRUCTURE	Road needs to be maintained.	31	DUTYWA
INFRASTRUCTURE	There is no electricity.	31	DUTYWA
INFRASTRUCTURE	Requested road construction at Esingeni TR 34 Chizama to Esingeni –school.	5	Dutywa
INFRASTRUCTURE	Community Halls built to be specified.	8	DUTYWA

CORPORATE SERVICES	<p>Interns who served at the institution for more than 3 years, who are not considered where vacant posts are advertised.</p> <p>To include the list of employees who started as interns who have been employed on a permanent basis.</p>	8	Dutywa
INFRASTRUCTURE	Requested road maintenance at Mbelo and road construction from Mazwayi to Mbelo.	7	DUTYWA
INFRASTRUCTURE	Road needs to be maintained from Colosa, Siyibana and sikiti.	8	DUTYWA
AMATHOLE	No water.	8	DUTYWA
INFRASTRUCTURE	Community Hall was demolished	8	DUTYWA
COMMUNITY SERVICES	8 EPWP workers were appointed to work at Chizele but only 4 is working, to clarify what happened to another 4.		DUTYWA
INFRASTRUCTURE	Seeks clarity on Housing-contractors who never consulted community members at Timane.	4	DUTYWA
LED	To consider weather conditions when choosing seeds and	4	DUTYWA

	to increase budget to buy medication for livestock.		
COMMUNITY SERVICES	Toilet slabs for disabled people	6	DUTYWA
INFRASTRUCTURE	2 Roads Contruction at Nombulelo and sihlabeni. Needed clarity on why 2 roads in 1 ward.		DUTYWA
INFRASTRUCTURE	Road maintainance at Maxhama, tankini, kwahleke, sinqumeni, were not finished due to the shortage of machinery. Road from Maxhama to Tankini is breaking needs attention	4	DUTYWA
INFRASTRUCTURE	Road from Bongweni to Ockland needs to be maintained.	8	DUTYWA
INFRASTRUCTURE	Road from Camandashe to Mhala needs to be maintained	7	DUTYWA
AMATHOLE	Dams needs to be drained.	6	DUTYWA
AMATHOLE	Taps are not close to their households. Control measures were suggested to avoid the misuse of water. Requested trucks to	4	DUTYWA

	clean toilets even if it's at their own expense.		
LED	To finish dipping tanks at Candu.	7	DUTYWA
INFRASTRUCTURE	Road from Bolotwa to Sihlabeni is not finished.	6	DUTYWA
AMATHOLE	Toilets were requested for people using wheelchairs.	6	DUTYWA
INFRASTRUCTURE	Houses are not yet finished.	6	DUTYWA
INFRASTRUCTURE	Halls at Silityiwa and Luxeni needs to be renovated	6	DUTYWA
COMMUNITY SERVICES	EPWP to grade potholes.	6	DUTYWA
INFRASTRUCTURE	Sollar system at Sikiti, Siyibane and Mkhelala.	8	DUTYWA
INFRASTRUCTURE	Road needs to be maintained from Phelandaba to Macirheni. Stickers of electricity were circulated.		Dutywa
AMATHOLE	No water services at Phelandaba and Macirheni. List of toilets has been made.		DUTYWA
INFRASTRUCTURE	Clarity on how far is the Municipality with the construction of community hall at Gem.		DUTYWA

IEC	IEC employing teachers during registration processes.	10	Dutywa
INFRASTRUCTURE	Road from Mbhukuqu to Thaleri needs to be maintained.	10	Dutywa
INFRASTRUCTURE	Clarity on how far is the project of road construction to Dwesa (fort Malan line).	10	DUTYWA
INFRASTRUCTURE	Access road to Mngeka J.S.S needs to be maintained.	10	DUTYWA
COMMUNITY SERVICES	Dumping site at Dutywa to be reconsidered.		DUTYWA
COMMUNITY SERVICES	To come up with a plan on the issue mushrooming of informal settlements		DUTYWA
INFRASTRUCTURE	Clarity on the negotiations between the Municipality and Eskom.		DUTYWA
INFRASTRUCTURE	Parking slots or ranks for public transport.	In town	DUTYWA
LED	A list of villages that were fenced to be specified as to which wards.		DUTYWA
INFRASTRUCTURE	Road needs to be maintenance at Mnandi.	12	DUTYWA

COMMUNITY SERVICES	Were promised houses for destitutes in 15/16 financial year.	12	DUTYWA
LED	Tourism and farming to be strengthen and commercialized.		DUTYWA
	It was requested that Annual report should first be discussed at Village meetings before MPAC road shows.		DUTYWA
LED	There was a concern raised that above 35 should be capacitated.		DUTYWA
INFRASTRUCTURE	To finish community hall renovations.	10	DUTYWA
COMMUNITY SERVICES	Law enforcement to work day and night shifts.		DUTYWA
INFRASTRUCTURE	Clarity on bakery project that was constructed the structure is finished and the yard is fenced but there is no equipment for it to operate.	12	DUTYWA
COMMUNITY SERVICES	EPWP workers needs to be capacitated on waste collection.	12	DUTYWA
INFRASTRUCTURE	Requested grading of sport fields for	12	DUTYWA

	runners.		
LED	It was advised that the office should consider distributing other seeds and to stop focusing on maize.	6	DUTYWA
COMMUNITY SERVICES	Community works program should be revised the salary is too small.	12	DUTYWA
LED	Growing feed for chickens was requested for a project owned by unemployed youth.	2	DUTYWA
INFRASTRUCTURE	Road construction at Gwadana from the village to high school was requested.	3	DUTYWA
AMATHOLE	A dam needs to be drained.	3	DUTYWA
LED	Dipping tank to be maintained	3	DUTYWA
INFRASTRUCTURE	Road from Sofuthe, Drayini to Matolweni needs to be maintained As well as the road from Sofuthe to Well short.	3	DUTYWA
INFRASTRUCTURE	Electricity for extensions	3	DUTYWA
LED	Dipping tanks for livestock was	3	DUTYWA

	requested		
INFRASTRUCTURE	Requests clarity on the report that indicates Gwadana road has been done.	2	DUTYWA
COMMUNITY SERVICES	Clarity was requested on how is far the Municipality with the plan of fencing communal cemeteries is.	3	DUTYWA

CHAPTER 8

MPAC COMMENTS AND CONCLUSION

1. All matters raised by communities, the MPAC committee will ensure that those matters will be referred to the relevant departments to be considered to their IDP programmes and to their SDBIPs.
2. The committee also noted the comments from the public and will do an investigation on the matters raised and report the findings in the next ordinary council meeting
 - The verification of implemented project was conducted late however the committee managed to complete it irrespective of challenges faced.
 - MPAC committee has reservations about the absence of some political leadership and some senior managers during the annual report processes. However, their absence impacted negatively during MPAC road shows because the issues raised were directed to their respective departments and needed their direct responses.


N.B The committee would like to indicate that there has been an improvement in the Annual Report comparing it with previous years.

CHAPTER 9

MPAC RECOMMENDATIONS TO THE COUNCIL

1. Municipal Manager should ensure that all steps regarding the advertising of Annual Report to the public should be adhered to in terms of sections 127 (5) of the MFMA and sections 21, 21A of the Municipal Systems Act
2. That the Council Resolution must be implemented which states that the Annual Report should be available in two dominate languages used in this Area i.e. English and Isixhosa in the case of Mbhashe Local Municipality.
3. That management should develop an Action Plan to address all the agreed findings in the Annual Report with clear and realistic time frames.
4. That Council having fully considered the Annual Report of the Mbhashe Municipality for the 2017/2018 Financial Year adopts the Oversight Report for the 2017/2018 financial year with reservations.
5. That Council endorses the Annual Report of the Mbhashe Local Municipality for the 2017/2018 Financial Year with reservations.
6. That the Oversight Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act 56 of 2003.
7. That the Oversight Report be submitted to the Provincial Legislature in accordance with Section 132(2) of the Municipal Finance Management Act 56 of 2003.

Prepared by: Cllr Kalityi S.D {MPAC Chairperson}



Date: 03/12/2018

