

# WATERBERG DISTRICT MUNICIPALITY



## DRAFT 2017/18 OVERSIGHT REPORT ON 2017/18 ANNUAL REPORT

**DATE:** 28 March 2019

**VENUE:** Council Chamber

**TIME:** 14H00

## MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEMBERS

Number	Position	Names
1	Chairperson	Cllr N.S Montana
2	Member	Cllr M.J Gumede
3	Member	Cllr N. Laubscher
4	Member	Cllr B.N Magongwa
5	Member	Cllr S.C Majoko
6	Member	Cllr R.N Monene
7	Member	Cllr MJ Selokela
8	Member	Cllr C.C.S Motsepe
9	Member	Cllr KH Niewenhuis
10	Member	Cllr L.K Satege
11	Member	Cllr M.S Tefu

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## **1. INTRODUCTION**

Municipalities are expected to ultimately approve an Annual Report for the previous financial year by the **28 March 2019** which approval must be preceded by an Oversight Report.

## **2. RESOLUTIONS AND STATEMENT REQUIRED BY SECTION 129(1) OF THE MUNICIPAL FINANCE MANAGEMENT ACT**

The Municipal Public Accounts Committee (MPAC) having fully considered the 2017/18 Annual Report of the municipality and its representations thereon submits the Oversight Report and further recommends that Council should approve the Annual Report without reservations.

The Draft 2017/18 Annual report was tabled in council on 29 January 2019, the notice to invite the public to submit representation was issued on the 05 February 2018. Inputs or representation on the 2017/18 annual report was opened on the 31 January 2019 and closed on the 28 February 2019. We received comments from AGSA on the draft annual report.

## **3. SUMMARY OF COMMENTS AND CONCLUSIONS ON THE ANNUAL REPORT**

- Attendance of Council meetings- Appendix A, following the resolution of the MPAC.
- Financial Disclosure-Appendix J, According to the new format of the Annual Report the disclosure of interest in terms of Annexure was sufficient.
- Audit queries-component f, chapter 6, Management has resolved 26 with 28 outstanding at 45% and to be concluded at the end of financial year in line with Audit Action Plan.
- The report of the Audit Committee forms part of the Annual Report despite the fact the reporting format refers only to component D, chapter 6 and the recommendations of audit committee are at Appendix G.
- Long term contracts awarded are at appendix H.

## **4. THE CONCLUSION THAT THE REPORT IS APPROVED WITH RESERVATIONS**

- Highlighting the negative opinion received by the municipality relating to the completeness of Irregular expenditure.
- The report also contains significant findings on reported performance against predetermined objectives,
- As well as a number of material findings that emanated from transgression against the legislative prescripts applicable to the municipality.
- Some of the above mentioned points are repetitive in nature which means that effective action is not taken by the municipality to address concerns previously identified during the regulatory audit process such as the investigations that is required on the irregular and fruitless and wasteful expenditure that has been incurred.

- The audit reports for the WEDA and consolidated municipal accounts had not yet been completed as a result of a slow response rate to concerns as well as the outstanding report from the board on the going concern status of the WEDA.
- Finalisations of these reports are still being pursued.

## 5. ANNEXURES

- **Copies of minutes**
- **2017/18 Annual Report Council Item on Annual Report**
- **2017/18 Annual Report**
- **Public notice**

## 6. RECOMMENDATIONS

1. That Council approves the 2017/18 Oversight Report prepared by the Municipal Public Accounts Committee.
2. That Council approves the 2017/18 Annual Report with reservation.
3. That the Accounting Officer should make public the Oversight Report within seven days after its adoption.
4. The final 2017/18 Annual Report be submitted to National Treasury, Provincial Treasury and CoGHSTA.
5. The unauthorized, irregular, wasteful and fruitless expenditure be investigated

## 7. Signature

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Cllr N.S Montane  
Municipal Public Accounts Committee, Chairperson. (MPAC)