

**THEMBISILE HANI LOCAL  
MUNICIPALITY**



**MUNICIPAL PUBLIC ACCOUNTS COMMITTEE  
OVERSIGHT REPORT  
ON THE ANNUAL REPORT FOR  
2021/2022 FINANCIAL YEAR**

**24 March 2023**

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**(i) ANNEXURES ATTACHED**

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**ANNEXURE B** DRAFT ANNUAL REPORT CONSULTATION PROCESSES .....**Pages: 81 – 92**

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**(ii) LIST OF ABBREVIATIONS USED**

<b>AFS</b>	<b>ANNUAL FINANCIAL STATEMENTS</b>
<b>AG</b>	<b>AUDITOR GENERAL</b>
<b>AGSA</b>	<b>AUDITOR GENERAL SOUTH AFRICA</b>
<b>AR</b>	<b>ANNUAL REPORT</b>
<b>AO</b>	<b>ACCOUNTING OFFICER</b>
<b>APR</b>	<b>ANNUAL PERFORMANCE REPORT</b>
<b>AR</b>	<b>ANNUAL REPORT</b>
<b>COGTA</b>	<b>DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS</b>
<b>DORA</b>	<b>DIVISION OF REVENUE ACT</b>
<b>EM</b>	<b>EXECUTIVE MAYOR</b>
<b>IDP</b>	<b>INTEGRATED DEVELOPMENT PLAN</b>
<b>IMATU</b>	<b>INDEPENDENT MUNICIPAL AND ALLIED TRADE UNION</b>
<b>MFMA</b>	<b>MUNICIPAL FINANCE MANAGEMENT ACT</b>
<b>MM</b>	<b>MUNICIPAL MANAGER</b>
<b>MPAC</b>	<b>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE</b>
<b>MSA</b>	<b>MUNICIPAL STRUCTURES ACT/MUNICIPAL SYSTEMS ACT</b>
<b>POE</b>	<b>PORTFOLIO OF EVIDENCE</b>
<b>SAMWU</b>	<b>SOUTH AFRICAN MUNICIPAL WORKERS' UNION</b>
<b>SCOPA</b>	<b>STANDING COMMITTEE ON PUBLIC ACCOUNTS</b>
<b>SDBIP</b>	<b>SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN</b>
<b>RMAFACC</b>	<b>RISK MANAGEMENT, ANTI-FRAUD AND ANTI-CORRUPTION COMMITTEE</b>
<b>THLM</b>	<b>THEMBISILE HANI LOCAL MUNICIPALITY</b>

## **1. INTRODUCTION**

In accordance with the provisions of Section 79A (1) of the Municipal Structures Act, no 117 of 1998, a municipal council must establish a committee called the Municipal Public Accounts Committee.

The Municipal Public Accounts Committee (MPAC) of Thembisile Hani Municipality, similar to other committees of council comprise solely of Councillors appointed by resolution of a full Council meeting. The mayor or executive mayor, any member of the executive committee, members of the mayoral committee, speaker, whip and municipal officials are not allowed to be members of the Committee.

The current Municipal Public Accounts Committee (MPAC) of Thembisile Hani Local Municipality was established by council through council resolution TH-NDC 22/12/2021 on the 14<sup>th</sup> of December 2021.

The MPAC mandate is to assist Council to hold the executive accountable and ensure the effective and efficient use of municipal resources.

The municipal council determine the functions of the MPAC through the adopted Terms of Reference.

## **2. PURPOSE**

The purpose of this report therefore is to table to council, the MPAC Oversight Report on the probing of Thembisile Hani Local Municipality Draft Annual Report 2021/2022 for council consideration and adoption pursuant to Section 129 of the MFMA. Further this report serves to inform the local community of Thembisile Hani Local Municipality on the work performed by the MPAC in holding the executive accountable for all decisions made throughout the year of 2021/2022.

## **3. LEGAL FRAMEWORK**

In accordance with the provisions of Section 121(1) of the Municipal Finance Management Act No. 56 of 2003, every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this act. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

Section 121(2) of the same act provides that, the purpose of an annual report is-

- (a) to provide a record of the activities of the municipality or municipal entity
- (b) to provide a report on performance against the budget of the municipality or
- (c) to promote accountability to the local community for the decisions made during the financial year to which the report relates; municipal entity for that financial year; and throughout the year by the municipality or municipal entity.

The annual report requirements are provided in Chapter 12 of the Municipal Finance Management Act (MFMA), sections 45 and 46 of the MSA and the annual Division of Revenue Act (DoRA).

Section 46(1) & (2) of the Local Government: Municipal Systems Act 32 of 2000 provides that;

- (1) a municipality must prepare for each financial year a performance report reflecting-
  - (a) the performance of the municipality and of each external service provider during that financial year;
  - (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
  - (c) measures taken to improve performance.
- (2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act.

Section 129(1) of the Municipal Finance Management Act no. 56 of 2003 further requires the council of a municipality to consider the annual report of the municipality, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127 of the MFMA, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council—

- (a) has approved the annual report with or without reservations;
- (b) has rejected the annual report; or
- (c) has referred the annual report back for revision of those components that can be revised.

#### 4. ACCOUNTABILITY FRAMEWORK FOR LOCAL GOVERNMENT

It is significant to have some understanding of the responsibility framework for municipalities in order to correctly comprehend the role of the Oversight Report as distinct from that of the Annual Report and any other reports required from the municipality. The following table displays the nature of the culpability framework for local government:

	<b>Responsible for</b>	<b>Oversight over</b>	<b>Accountable to</b>
<b>Council</b>	<b>Approving for policy and budget</b>	<b>Mayor &amp; Executive Committee</b>	<b>Community</b>
<b>Mayor &amp; Executive Committee</b>	<b>Policy, budget, outcomes,</b>	<b>Municipal manager</b>	<b>Council</b>
<b>Municipal Manager</b>	<b>Outputs and implementation</b>	<b>Administration</b>	<b>Mayor &amp; Executive Committee (Council)</b>
<b>Chief Financial Officer and Senior Manager</b>	<b>Outputs and Implementation</b>	<b>Financial management and operational functions</b>	<b>Municipal Manager</b>

#### 5. THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF THLM

As provided above, the current MPAC Thembisile Hani Local Municipality compose of the following members of councillors as appointed by council through council resolution TH-NDC 22/12/2021 on the 14<sup>th</sup> December 2021:

<b>Members</b>	<b>Designation</b>
1. Clr. LM Tshabangu	Chairperson
2. Clr. SB Sindana	Member
3. Clr. RB Jiyane	Member
4. Clr. NE Radebe	Member
5. Clr. P Mahlangu	Member
6. Clr. LM Lukhele (Maphoso)	Member
7. Clr. RQ Mtsweni	Member
8. Clr. Mita Motaung	Member
9. Clr. MA Mokwena	Member
10. Clr. ZJ Mnguni	Member

## 6. FUNCTIONS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

- a) To assist council to hold the executive and municipal entities to account, and to ensure the effective and efficient use of municipal resources.
- b) MPAC in executing its roles on oversight function it does not duplicate other committees of council.
- c) It report directly to council through the speaker of the municipality and interface with the other committees of council through the speaker, where relevant.
- d) It is entitled to request for documents or evidence from the Executive Mayor of a municipality or a municipal entity and can request support of both the internal and external auditors (advisory) where necessary.
- e) To consider and evaluate the content of the annual report and to make recommendations to council when adopting an oversight report on the annual report, current in-year reports, and including quarterly and mid-year reports.

## 7. SUMMARY OF REPRESENTATIONS RECEIVED FROM THE COMMUNITY AND OTHER STAKEHOLDERS

The following table reflects the key written representations received from the respective bodies/individuals in relation to the Annual Report:

Representation Submitted by:	Key Issues Raised
Auditor General	Attached hereto under Annexure D
Risk Management Committee	Attached hereto under Annexure D

The Municipal Public Accounts Committee has noted with concern once again that there is lack of representations in respect of the Draft Annual Report from various stakeholders and from the general public at large.

MPAC therefore recommends that when the municipality publicise and distribute the Draft Annual Report for public comments, local organizations for example; SANCO, SADTU, NGO, NPO within the THLM jurisdiction be provided with the copies of the AR so that they can make comments if necessary.

## **8. ANNUAL REPORT CONSULTATION PROCESSES**

**The MPAC confirms the following Draft Annual Report processes**

- a) The Draft Annual Report was tabled to council in terms of Section 127(2) of the MFMA on the 31<sup>st</sup> of January 2023.
- b) An official notice inviting the public to submit comments/representations in terms of Section 127(5)(a) of the MPFMA, was issued in the Sowetan newspaper (7 February 2023) and posted on municipal buildings. Further copies of the Annual Report were made available for community perusal and comments at the Municipal offices and Satellite offices viz, Tweefontien K Satellite Office, Kwamhlanga Satellite office, Kwaggafontein Library, Phumula Library, Verena Library and Reception desk (New and Old Building at THLM Head Quarters) in new and old buildings of the municipality on the 7<sup>th</sup> February 2023.
- c) After the Draft Annual Report was tabled to council in January 2023, copies of the report were forwarded to the following provincial departments as required by Section 127(5)(b) of the MFMA:
  - I. Provincial Treasury (No comments were received)
  - II. National Treasury (No comments were received)
  - III. Provincial COGTA (No comments were received)
  - IV. Provincial Legislature (No comments were received)
  - V. Auditor General (Comments were received)

## **9. MPAC OVERSIGHT PROCESSES ON THE 2021/2022 DRAFT ANNUAL REPORT**

- a) In order to execute its oversight responsibility on the Annual Report, MPAC has developed an Oversight Process Plan (Calendar) as outlined hereunder. The Oversight Process Plan is hereto attached as Annexure E.
- b) The Municipal Public Accounts Committee (MPAC) probed the municipality's Annual Report on the 21 – 24 February 2023.
- c) During the probing of the report, MPAC benefited from a briefing by the Provincial Auditor General on the Municipality's audit outcome and as well the committee received a presentation by the RMAFACC chairperson.
- d) During the probing, the MPAC formulated a questionnaire on the Annual Report and directed the same to the office of the Executive Mayor for responses.
- e) On the on the 9<sup>th</sup> March 2023, the MPAC considered the responses of the Executive Mayor and further to that follow-up questions were developed to that effect
- f) On the 22<sup>nd</sup> March 2023 the MPAC held a public hearing with the Executive Mayor.
- g) On the 24<sup>th</sup> March 2023 MPAC convened a meeting for consolidation and adoption of the MPAC Oversight Report on the Annual Report.

## **10. PROBING METHODOLOGY**

In probing of the Annual Report the committee resolved to make use of the following documents in order to ensure effective and efficient outcomes:

- a) The Municipality's Draft Annual Report for the year under review
- b) MFMA Circular 63
- c) LG: Municipal Finance Management Act no. 56 of 2003
- d) Amended LG: Municipal Structures Act No. 117 of 1998

## **11. SUMMARY OBSERVATIONS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE ON THE DRAFT ANNUAL REPORT**

- 1. The Municipal Public Accounts Committee (MPAC) having considered the Draft Annual Report for 2021/2022 financial year, observed that the report has been prepared inline the national treasure MFMA circular 63**
- 2. The MPAC has observed that the municipality has maintained its 2020/2021 unqualified with findings audit out -comes in 2021/2022 financial year**
- 3. The MPAC has observed the recurring duplications and misallocations of issues on Assessment of Community Needs e.g. issues raised from ward 1 up to ward 32.**
- 4. The MPAC has observed that the municipality is over relying on the use of consultants (service providers) for AFS preparation and VAT returns.**
- 5. The MPAC has observed non-compliance with SCM regulations which led to unauthorised or fruitless and wasteful expenditure**
- 6. MPAC has observed inadequate staff establishment in key units**
- 7. MPAC has observed poor performance management system in revenue collection**
- 8. MPAC has observed that there is recurring of material findings under Audit of Predetermined Objectives (AOPO)**
- 9. MPAC has observed there is inadequate implementation of the audit action plan**

**12. MPAC RECOMMENDATIONS TO COUNCIL**

1. That council having fully considered the Draft Annual Report on THLM for the financial year 2021/2022 and its representations, adopt the oversight report and approves the annual report without reservations.
2. That Executive Mayor to develop, implement, monitor and evaluate the audit action plan, to improve the internal control environment and avoid recurrence of findings
3. That the municipality to appoint a dedicated personnel to work on preparation of the AFS and the VAT returns i.e. quarterly, half yearly and the review process must be enhanced to avoid recurring audit findings.
4. That irregular, fruitless and wasteful expenditure balances, are dealt with and cleared from the books of the municipality in compliance with Section 32 of the MFMA.
5. That the revenue enhancement strategy be adequately implemented, monitored and evaluated to enhance municipal financial viability
6. That risk assessments be conducted during the planning process, to ensure that risk mitigating actions are considered and funded when budgeting
7. That risk management plan be firmly considered in the day-to-day operations of the municipality and in all employees' performance agreements
8. That the implementation of the Internal Audit and Audit Committee recommendations be considered and prioritized
9. That the Executive Mayor to ensure that the material findings on the Predetermined Objectives are resolved to avoid recurrence to the next financial year
10. That considering that there are recurring series of duplications and misallocations of issues on the Assessment of Community Needs, it is recommended that the entire Assessment of Community Needs table (from ward 1 to 32) be revised and corrected accordingly to ensure the credibility of information – before the Municipal Annual Report is made public.



**CH. LM TSHABANGU**  
**(MPAC CHAIRPERSON)**

**DATE: 24 March 2023**

## **ANNEXURE A**

### **MPAC MINUTES ON PROBING OF THE DRAFT ANNUAL REPORT**



Minutes of the 3<sup>rd</sup> Ordinary 2022/2023 Municipal Public Accounts Committee meeting held on the 21 – 24 February 2023 at Roedevalley, Pretoria

REF.: 3/2/4/3

## THEMBISILE HANI LOCAL MUNICIPALITY



# MINUTES

**OF THE 3<sup>RD</sup> ORDINARY 2022/2023 MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE MEETING HELD ON THE 21 – 24 FEBRUARY 2023 AT  
ROEDEVALLEY, PRETORIA**



## **PRESENT**

1. Clr. LM Tshabangu ( Chairperson)
2. Clr. SB Sindana
3. Clr. RB Jiyane
4. Clr. NE Radebe
5. Clr. LM Lukhele (Maphoso)
6. Clr. RQ Mtsweni
7. Clr. MA Mokwena
8. Clr. ZJ Mnguni
9. Clr. NM Motaung

## **OFFICIALS PRESENT**

KO Bapela	Asst. Manager MPAC Researcher, Monitoring and Evaluation
T Baloyi	Chief Risk Officer
A Malope	Chief Audit Executive
HB Diphofa	MPAC/AC Secretary

## **OTHER**

E Nkhwazi                      EPWP



## **1. OPENING AND WELCOME**

Mr. KO Bapela (Asst Manager, MPAC Researcher, Monitoring and Evaluation) read the notice to the meeting.

The meeting was officially opened by the MPAC chairperson, Cnr LM Tshabangu.

The chairperson welcomed everyone to the meeting and declared the meeting officially opened.

## **2. APPLICATIONS FOR LEAVE OF ABSENCE**

1. Cnr. P Mahlangu

### **OFFICIALS**

None

## **3. OFFICIAL ANNOUNCEMENTS**

The meeting was informed that the following stakeholder are expected to make presentation to the meeting:

- (a) T Boltman (FMAFACC Chairperson THLM)
- (b) F Mudau (Chairperson NDM Shared Audit Committee)
- (c) P Nonyane (AGSA Mpumalanga)

## **4. MOTION OF SYMPATHY AND CONGRATULATIONS**

None

## **5. DISCLOSURE OF INTERESTS**

None

## **6. MINUTES OF THE PREVIOUS MEETINGS**

- 6.1. Minutes of the 2<sup>nd</sup> (2022/2023) Ordinary MPAC meeting held on the 30 November – 1 December 2023

### **RESOLVED**



Minutes of the 3<sup>rd</sup> Ordinary 2022/2023 Municipal Public Accounts Committee meeting held on the 21 – 24 February 2023 at Roodevalley, Pretoria

**THAT** Minutes of the 2<sup>nd</sup> (2022/2023) Ordinary MPAC meeting held on the 30 November be adopted

**Mover:** Clr. SB Sindana

**Seconded:** Clr. MA Mokwena

**6.2. Minutes of the 2<sup>nd</sup> (2022/2023) Special MPAC meeting held on the 14 February 2023**

**RESOLVED**

**THAT** the Minutes of the 2<sup>nd</sup> (2022/2023) Special MPAC meeting held on the 14 February 2023

**Mover:** Clr. RB Jiyane

**Seconded:** Clr. NE Radebe

**7. QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN**

None

**8. DEFERRED ITEMS**

None

**9. REPORTS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**TH-MPAC 14/02/2023**

**TH-MPAC 15/02/2023**



# Non-Delegated Index Items

<b>ITEM NO.</b>	<b>SUBJECT</b>
<b>TH-MPAC 14/02/2023</b>	<b>THEMBISILE HANI LOCAL MUNICIPALITY DRAFT ANNUAL REPORT 2021/2022</b>
<b>TH-MPAC 15/02/2023</b>	<b>MPAC PROBING OF THE MID- YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT FOR 2022/2023</b>



TH-MPAC 14/02/2023

**THEMBISILE HANI LOCAL MUNICIPALITY  
DRAFT ANNUAL REPORT 2021/2022**

## **DISCUSSION**

The Draft Annual Report 2021/2022 was presented to the meeting for probing. The committee used the National Treasury's Circular 63 to probe the report. All chapters of the report were considered by the committee of which they complied with circular number 63. The committee developed observations and questions for the Executive Mayor to respond.

On the 22<sup>nd</sup> February 2023 the meeting received an audit briefing from the Auditor General South Africa, Ms P. Nonyane.

On the 23<sup>rd</sup> February 2023 the meeting received presentation from the Risk Management Anti-Fraud and Anti-Corruption Committee (RMAFACC) by Mr Trevor Boltman (chairperson).

On the same 23<sup>rd</sup> the meeting also received a presentation from the Audit Committee (chairperson) Ms Fikile Mudau



## **RESOLUTION**

- 1. THAT** the MPAC take cognisance of the Draft Annual Report for 2021/2022 as presented to the committee
- 2. THAT** the MPAC having considered the Draft Annual Report for 2021/2022, resolved to develop a questionnaire for the Executive Mayor to respond within 7 working days.
- 3. THAT** on receipt of the responses from the Executive Mayor, MPAC to organise a meeting for consideration of such responses for 22/03/2023



**TH-MPAC 15/02/2023**

**MPAC PROBING OF THE MID- YEAR  
BUDGET AND PERFORMANCE ASSESSMENT  
REPORT FOR 2022/2023**

**DISCUSSION**

The Mid-year Budget and Performance Assessment Report for 2022/2023 was presented to the meeting for probing.

The committee considered the report and resolved to developed questionnaire for the Executive Mayor to respond within 7 working days.



## **RESOLUTION**

- 1. THAT** the MPAC developed questionnaire be presented to the Executive Mayor to respond within 7 working days.



**10. DEPUTATIONS**

NONE

**11. MOTIONS**

NONE

**12. CLOSURE**

The chairperson expressed her appreciation for the active participation of the committee members during the proceedings and officially declared the meeting adjourned.

  
C.F. LM TSHABANGU  
(MPAC CHAIRPERSON)

24 March 2023  
DATE











## THEMBISILE HANI LOCAL MUNICIPALITY

**3<sup>RD</sup> ORDINARY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023**  
**VENUE: ROODEVALLEI, PRETORIA**

Date: 21 FEBRUARY 2023

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1.	Lillian Martha Tshabangu	MPAC Member		071623 5917 0827910771
2.	Simon Bangiswani Sindana	MPAC Member		076 888 1497
3.	Richard Bongani Jiyane	MPAC Member		079 768 8989
4.	Namtungwa Elizabeth Radebe	MPAC Member		081 864 9454 071 111 1961
5.	Poppie Mahlangu	MPAC Member		072 654 2343 072 251 5838
6.	Lucky Matlhatsi Lukhele	MPAC Member		076 983 5023 083 583 3217
7.	Rubber Qaliwe Mtsweni	MPAC Member		073 659 5200 066 052 4148

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
8.	Ntombi Mitta Motaung	MPAC Member		072 290 3386
9.	Masontaga Adelaide Mokwena	MPAC Member		060 807 9461
10.	Zenaye Jantjie Mnguni	MPAC Member		060 651 5278
11.	K.O. Bapera	Researcher		0736714075
12.	H.B. Diphogo	Mns Coordinator		0713464029
13.	Edward T Mhumezi	EPYP P. SPDS.		076098429
14.	T. baloyi	CRO		0768674000
15.	A.S. Malope	CAE		013 986 9187
16.				
17.				25







## THEMBEILE HANI LOCAL MUNICIPALITY

3<sup>RD</sup> ORDINARY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023

VENUE: ROODEVALLEL, PRETORIA

Date: 22 FEBRUARY 2023

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1.	Lillian Martha Tshabangu	MPAC Member		071623 5917 0827910771
2.	Simon Bangiswani Sindana	MPAC Member		076 888 1497
3.	Richard Bongani Jiyane	MPAC Member		079 768 8989
4.	Namntungwa Elizabeth Radebe	MPAC Member		081 864 9454 071 111 1961
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9. Masontaga Adelaide Mokwena	MPAC Member		060 807 9461
10. Zenaye Jantjie Mnguni	MPAC Member		060 651 5278
11. K.O. Bopera	Researcher		07860714073
12. Pinnah Nanyane	AGISA EPYTP SDS		073 449 8458
13. Edward T. Mkhwazi	Ans Coordinator		076 098 4259
14. AB Dijkhofer	Ans Coordinator		0713464629
15. AS Maqope	CAE		05 9869167
16. TE Ledoyi	CAE		
17.			27













## THEMBEILE HANI LOCAL MUNICIPALITY

**3<sup>RD</sup> ORDINARY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023  
VENUE: ROODEVALLEL, PRETORIA**

Date: 23 FEBRUARY 2023

NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1. Lillian Martha Tshabangu	MPAC Member		071623 5917 0827910771
2. Simon Bangiswani Sindana	MPAC Member		076 888 1497
3. Richard Bongani Jiyane	MPAC Member		079 768 8989
4. Namntungwa Elizabeth Radebe	MPAC Member		081 864 9454 071 111 1961
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8.	Ntombi Mitta Motaung	MPAC Member		072 290 3386
9.	Masontaga Adelaide Mokwena	MPAC Member		060 807 9461
10.	Zenaye Jantjie Mnguni	MPAC Member		060 651 5278
11.	A.S. Morige	SAC		015 986 9167
12.	K.O. SAPCWA	Researcher		0136714073
13.	K.S. Moripe	Performance Manager		013 986 9123
14.	T.E. Beleyi	CEO		
15.	Fikile Mndau	Chairperson AC		083 3837468
16.	H.B. Diphoza	PMS Coordinator		013 986 9142 0713 464029
17.	Trevor Boltman	Chairperson RMAFACC		074 526 9235 / trevor@vermitos.com

3<sup>RD</sup> ORDINARY MPAC MEETING 2022/2023

24 FEBRUARY 2023











THEMBESILE HANI LOCAL MUNICIPALITY

3<sup>RD</sup> ORDINARY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023  
VENUE: ROODEVALLEI PRETORIA

Date: 24 FEBRUARY 2023

NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1. Lillian Martha Tshabangu	MPAC Member		071623 5917 0827910771
2. Simon Bangiswani Sindana	MPAC Member		076 888 1497
3. Richard Bongani Jiyane	MPAC Member		079 768 8989
4. Namtungwa Elizabeth Radebe	MPAC Member		081 864 9454 071 111 1961
5. Poppie Mablangu	MPAC Member		072 654 2343 072 251 5838
6. Lucky Matlhatsi Lukhele	MPAC Member		076 983 5023 083 583 3217
7. Rubber Qaliwe Mtsweni	MPAC Member		073 659 5200 066 052 4148

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
8.	Ntombi Mitta Motaung	MPAC Member		072 290 3386
9.	Masontaga Adelaide Mokwena	MPAC Member		060 807 9461
10.	Zenaye Jantjie Mnguni	MPAC Member		060 651 5278
11.	HB Diphoko	Pms Coordinator		
12.	K.S. Moripe	Pms Manager		013 986 9123
13.	A.S. Molepe	AS-CAC		013 986 9167
14.	K.O. Sapere	Rescom		0736714073
15.	T. Bonyi	CRD		0139869106
16.				
17.				31



Minutes of the 3<sup>rd</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 9<sup>th</sup> March 2023 at THLM Municipal Council Chamber

REF.: 3/2/4/3

## THEMBISILE HANI LOCAL MUNICIPALITY



# MINUTES

**OF THE 3<sup>RD</sup> SPECIAL 2022/2023 MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE MEETING HELD ON THE 9 MARCH 2023 AT THLM  
COUNCIL CHAMBER**



**PRESENT**

1. Clr. LM Tshabangu ( Chairperson)
2. Clr. RB Jiyane
3. Clr. NE Radebe
4. Clr. RQ Mtsweni
5. Clr. MA Mokwena
6. Clr. ZJ Mnguni
7. Clr. NM Motaung

**ABSENT**

- 1.Clr. SB Sindana

**OFFICIALS PRESENT**

KO Bapela	Asst. Manager MPAC Researcher, Monitoring and Evaluation
A Malope	Chief Audit Executive

**OTHER**

E Nkhwazi	EPWP
-----------	------



## **1. OPENING AND WELCOME**

Mr. KO Bapela (Asst Manager, MPAC Researcher, Monitoring and Evaluation) read the notice to the meeting.

The meeting was officially opened by the MPAC chairperson, Clr LM Tshabangu.

The chairperson welcomed everyone to the meeting and declared the meeting officially opened.

## **2. APPLICATIONS FOR LEAVE OF ABSENCE**

1. Clr. P Mahlangu
2. Clr. LM Lukhele (Maphoso)

### **OFFICIALS**

None

## **3. OFFICIAL ANNOUNCEMENTS**

None

## **4. MOTION OF SYMPATHY AND CONGRATULATIONS**

None

## **5. DISCLOSURE OF INTERESTS**

None

## **6. MINUTES OF THE PREVIOUS MEETINGS**

None

## **7. QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN**

None

## **8. DEFERRED ITEMS**

None



## **9. REPORTS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**TH-MPAC 16/03/2023**



# Non-Delegated Index Items

ITEM NO.	SUBJECT
TH-MPAC 16/03/2023	MPAC CONSIDERATION OF THE EXECUTIVE MAYOR'S RESPONSES ON MUNICIPALITY'S DRAFT ANNUAL REPORT FOR 2021/2023
TH-MPAC 17/03/2023	MPAC CONSIDERATION OF THE EXECUTIVE MAYOR'S RESPONSES ON MUNICIPALITY'S MID YEAR REPORT FOR 2022/2023



**TH-MPAC 16/03/2023**

**MPAC CONSIDERATION OF THE EXECUTIVE  
MAYOR'S RESPONSES ON MUNICIPALITY'S  
DRAFT ANNUAL REPORT FOR 2021/2023**

**DISCUSSION**

The committee considered the responses of the Executive Mayor on the MPAC Questionnaire with regard to the Draft Annual Report 2021/2022, and as such developed follow-up questions thereto.



## **RESOLUTIONS**

- 1. THAT** the responses of the Executive Mayor on the Draft Annual Report 2021/2022 be noted
- 2. THAT** the committee resolved to develop follow-up questions for the Executive Mayor to respond through one-on-one hearing scheduled for the 22 March 2023.



Minutes of the 3<sup>rd</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 9<sup>th</sup> March 2023 at THLM Municipal Council Chamber

**TH-MPAC 17/03/2023**

**MPAC CONSIDERATION OF THE  
EXECUTIVE MAYOR'S RESPONSES ON  
MUNICIPALITY'S MID YEAR REPORT  
FOR 2022/2023**

**DISCUSSION**

The committee considered the responses of the Executive Mayor on the MPAC Questionnaire with regard to the Municipality's Mid-Year Report for 2022/2023, and as such developed follow-up questions thereto.



## **RESOLUTIONS**

1. **THAT** the responses of the Executive Mayor on the Municipality's Mid-Year Report for 2022/2023 be considered
2. **THAT** the committee resolved to develop follow-up questions for the Executive Mayor to respond through one-on-one hearing scheduled for the 22 March 2023.



Minutes of the 3<sup>rd</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 9 March 2023 at THLM Municipal Council Chamber

#### **10. DEPUTATIONS**

NONE

#### **11. MOTIONS**

NONE

#### **12. CLOSURE**

The chairperson appreciated the attendance and active participation by the committee members

The chairperson officially declared the meeting closed.

  
CIP. LM TSHABANGU  
(MPAC CHAIRPERSON)

24 March 2023  
DATE









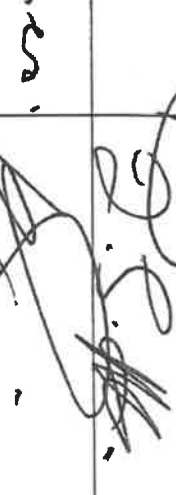



## THEMBELESHE HANI LOCAL MUNICIPALITY

3<sup>RD</sup> SPECIAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023

VENUE: THLM MUNICIPAL COUNCIL CHAMBER

Date: 9 MARCH 2023

NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1. Lillian Martha Tshabangu	MPAC Chairperson		071623 5917 0827910771
2. Simon Bangiswani Sindana	MPAC Member		076 888 1497
3. Richard Bongani Jiyane	MPAC Member		079 768 8989
4. Namntungwa Elizabeth Radebe	MPAC Member		081 864 9454 071 111 1961
5. Poppie Mahlangu	MPAC Member		072 654 2343 072 251 5838
6. Lucky Mathhatsi Lukhele	MPAC Member		076 983 5023 083 583 3217
7. Rubber Qaliwe Mtsweni	MPAC Member		073 659 5200 066 052 4148

43	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
8.	Ntombi Mita Motang	MPAC Member		072 290 3386
9.	Masontaga Adelaide Mokwena	MPAC Member		060 807 9461
10.	Zenaye Jantjie Mnguni	MPAC Member		060 651 5278
11.	Borena K. D.	Researcher		0736714073
12.	Edwards Mkhwaizi	ESPT SDS		0760984259
13.				
14.	A/S Mngope	CME		077
15.				
16.				
17.				



Minutes of the 4<sup>th</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 22 March 2023 at THLM Municipal Council Chamber

REF.: 3/2/4/3

## THEMBISILE HANI LOCAL MUNICIPALITY



# MINUTES

**OF THE 4<sup>TH</sup> SPECIAL 2022/2023 MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE MEETING HELD ON THE 22 MARCH 2023 AT THLM  
COUNCIL CHAMBER**



## **PRESENT**

1. Clr. LM Tshabangu ( Chairperson)
2. Clr. RB Jiyane
3. Clr. NE Radebe
4. Clr. MA Mokwena
5. Clr. ZJ Mnguni
6. Clr. SB Sindana
7. Clr. P Mahlangu
8. Clr. LM Lukhele (Maphoso)

## **ABSENT**

1. Clr. RQ Mtsweni
2. Clr. NM Motaung

## **MEMBERS OF THE MAYORAL COMMITTEE**

Cllr LJ Dikgale	: The Executive Mayor
Cllr J Mthimunye	: MMC Finance
Cllr EM Ramalekane	: MMC Technical Services
Cllr NT Skhosana	: MMC SDS
Cllr LX Mtsweni	: MMC DTPS

## **MEMBER OF THE COUNCIL**

<b>BV Msibi</b>	: Section 79 Chairperson Financial Services
<b>MT Nobela</b>	: Section 79 Chairperson Social Services
SCP Seswike	: Ward Councillor
SC Mahlangu	: Ward Councillor
VM Ntuli	: Ward Councillor
ME Mabanga	: Ward Councillor
KL Masanabo	: Ward Councillor
MT Ntuli	: Ward Councillor
SV Masombuka	: Ward Councillor
SS Mnguni	: Ward Councillor
TB Dube	: Ward Councillor
FV Mgayi	: Ward Councillor
DS Mokoena	: Ward Councillor
NS Mnguni	: Ward Councillor
CM Jiyane	: Ward Councillor



SR Nhlapho : Ward Councillor  
BV Mtshaise : Ward Councillor  
MJ Sithole : Ward Councillor  
GN Mahlangu : Ward Councillor  
TP Nkosi : Ward Councillor

#### **OFFICIALS PRESENT**

KO Bapela : Asst. Manager MPAC Researcher, Monitoring and Evaluation  
DJD Mahlangu : Municipal Manager  
W Mtshweni : Technical Manager  
M Tsebe : Manager PED  
T Baloyi : Chief Risk  
A Malope : Chief Audit Executive  
S Mokako : Assistant Manager Communication  
ET Mnguni : Corporate Services (Legal)  
N Tjia : Corporate Services  
LC Jiyane : MM's Office  
PS Nkosi : MM's Office (ICT)  
N Maserumule : SAMWU

#### **OTHER ATTENDEES**

E Nkhwazi : EPWP  
Community Development Workers : See the attached register  
Ward Committee Secretaries : See the attached register  
Traditional Leadership : FJ (Manala Makerana)



## **1. OPENING AND WELCOME**

Mr. KO Bapela (Asst. Manager, MPAC Researcher, Monitoring and Evaluation) read the notice to the meeting.

The meeting was officially opened by the MPAC chairperson, Cllr LM Tshabangu.

The chairperson welcomed the presence of the Executive Mayor and his entourage, the administration led by Mr. DJD Mahlangu (the municipal Manager), Traditional Leadership presents, CDWs, Ward Committee Secretaries, representatives from different stakeholder and all people who were present to the meeting.

The chairperson declared the meeting officially opened.

## **2. APPLICATIONS FOR LEAVE OF ABSENCE**

1. Cllr. P Mahlangu
2. Cllr N Motaung

### **OTHER**

T. Boltman (RMAFACC Chair)  
TE Motanyane (Council Whip)  
A Malope (CAE – joined later)  
CN Mahlangu (Chairperson Sec 79)  
MP Msiza  
SF Skosana

## **3. OFFICIAL ANNOUNCEMENTS**

None

## **4. MOTION OF SYMPATHY AND CONGRATULATIONS**

None

## **5. DISCLOSURE OF INTERESTS**

None

## **6. MINUTES OF THE PREVIOUS MEETINGS**

None



**7. QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN**

None

**8. DEFERRED ITEMS**

None

**9. REPORTS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**TH-MPAC 18/03/2023**

**TH-MPAC 19/03/2023**



# Non-Delegated Index Items

<b>ITEM NO.</b>	<b>SUBJECT</b>
<b>TH-MPAC 18/03/2023</b>	<b>MPAC HEARING WITH THE EXECUTIVE MAYOR ON THE PROBING OF THLM DRAFT ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022</b>
<b>TH-MPAC 19/03/2023</b>	<b>MPAC HEARING WITH THE EXECUTIVE MAYOR ON THE PROBING OF THLM MID-YEAR REPORT FOR THE 2022/2023</b>



**TH-MPAC 18/03/2023**

**MPAC HEARING WITH THE EXECUTIVE  
MAYOR ON THE PROBING OF THLM DRAFT  
ANNUAL REPORT FOR THE YEAR ENDED 30  
JUNE 2022**

**DISCUSSIONS**

The chairperson indicated to the meeting that the committee would be raising questions probing the annual report with the Executive Mayor.

All questions were responded to by the Executive Mayor with supporting POEs provided during the preceding of the meeting.

The committee accepted the responses of the Executive Mayor and further to that where necessary the committee raised follow-up questions which were responded to, by the Executive Mayor



## **RESOLUTIONS**

- 1. THAT** MPAC having held the hearing with the Executive Mayor, take cognisance of the responses of the Executive Mayor thereof
- 2. THAT** MPAC resolved to hold a special meeting on the 24<sup>th</sup> March 2023, to develop and adopt Draft Oversight Report on the annual report 2021/2022, for council consideration and adoption.



**TH-MPAC 17/03/2023**

**MPAC CONSIDERATION OF THE  
EXECUTIVE MAYOR'S RESPONSES ON  
MUNICIPALITY'S MID YEAR REPORT  
FOR 2022/2023**

**DISCUSSION**

The committee considered the responses of the Executive Mayor on the MPAC Questionnaire with regard to the Municipality's Mid-Year Report for 2022/2023, and as such developed follow-up questions thereto, to be considered in the next special MPAC meetings



## **RESOLUTIONS**

- 1. THAT** the responses of the Executive Mayor on the Municipality's Mid-Year Report for 2022/2023 be considered
- 2. THAT** the committee resolved to develop follow-up questions for the Executive Mayor to respond through one-on-one hearing scheduled for the 22 March 2023.



Minutes of the 4<sup>th</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 22<sup>nd</sup> March 2023 at THLM Municipal Council Chamber

#### **10. DEPUTATIONS**

NONE

#### **11. MOTIONS**

NONE

#### **12. CLOSURE**

The chairperson appreciated the attendance and active participation by the committee members

The chairperson officially declared the meeting closed.

  
CIP. LM TSHABANGU  
(MPAC CHAIRPERSON)

24 March 2023  
DATE

ATTENDANCE REGISTER - 4<sup>TH</sup> 2022/2023 SPECIAL MPAC MEETING  
22 March 2023

# ATTENDANCE

# REGISTER

# FOR

# 4<sup>TH</sup> ~~RD~~ SPECIAL MPAC MEETING

EXECUTIVE MAYOR

&

ALL COUNCILLORS







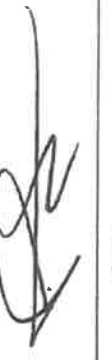









## THEMBEILE HANI LOCAL MUNICIPALITY








4<sup>TH</sup> SPECIAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023  
 VENUE: MUNICIPAL COUNCIL CHAMBER

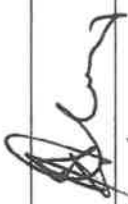













Date: 22 MARCH 2023

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1.	TERESA MADISANA	WARD 04 SECRETARY		0714076985
2.	LETITIE NGOBENI	WARD 04 SECRETARY		064 858 9152
3.	LEPATO SKHOSANA	WARD 31 WARD COMMITTEE		0608678763
4.	PORTIA ZODWA BUTHHELEZI	WARD 27 WARD COMMITTEE		0837734929 066 298 4960
5.	Joel Masilela	photography		0727707905
6.	Bylo Mawange	PMO Coordinator		076 618 6731
7.	Jessica Makhlongu	Financial Services CFO		(03) 86 9104

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
8.	ELLIOT M. MOWSE	CDW		0712363590
9.	IMMATHUEC MAPHICHA	WARD COMMITTEE SECRETARY W26		427725962262
10.	Shiphine MOCATO	Ass. Manged. Communication		019 170 5846
11.	Walter MASHINI	Manager Technician		0206570274
12.	Tsebe M	Manager PED		0139869191
13.	Mphahlele Makhumule	Branch and committee Secretary		013 981 9192
14.	Thamsanya MATHANGI	Secretary		011 292 0181
15.	Tuelo BAYI	CFO		
16.	Thibela Lindwe	TCCF Forum		083 9487782
17.	Johannes GOROSOTO	Local Council Secretary		0727095587




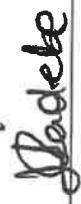









NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
27. ROSE DIBINA	WARD SEC 00 TFLM		0734306473
28. SEBONI SYLVIA	ward 15 Sec		0768825377
29. Sponsor Sharon	ward 01 word committee sec.		0133515589.
30. M.R Matilda	COGTA - Ward 30		0730933895
31.			
32.			
33.			
34.			
35.			
36.			
37.			
38.			
39.			
40.			

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
41.	E.T. Mnguni	Corporate		013 986 9202
42.	S.H. Kpile	Secretary ward 28		076 492 8489
43.	PATIENCE MOKHOMOTSIANE	COYTA (CDW) N24		073093 1349
44.	MOMPUMELELO Tjira	CORROSTATE		061 407 5785
45.	M. Mabena	DPSA		0793877939
46.	L.C. Syane	mm office		087869119
47.	PS Mlesi	ICT (mm)		076 607 8876
48.				
49.				
50.				
51.				
52.				
53.				

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
54.	Abram	SSD		039869101
55.	Thulani Sibuya	Community		0760733027
56.	J.P. Muguni	Community		072-0942015
57.	B.C. Molepe	WARD SEC		0712101580
58.	DANIE SARAZA	WARD SEC WARD 21		0723)57587
59.	THANDI BASILELA	C.D.W WARD 25		073 132 0228
60.	FUMBI NTHIMUNYE	COSITA CDW WARD 4		0730931161
61.	VERA MOLEKWA	CDW WARD 24A		0731827810
62.	FOXTIA KUBHEKA	Secretary WARD 05		0721039931
63.	Kenneth Mahaula	WARD SEE		082 8473947
64.	Kenneth Mahaula	WARD 22 SEE		099 722 7175
65.	SELLSILE DEAN MATHSHE	WARD 11 029		071320405
66.	Euphemia Kwazi	WARD 27 CDW		0731327100
67.	Timothy L. Mchlangi	C.A.W/OAB		0730763780

4<sup>TH</sup> SPECIAL MPAC MEETING 2022/2023

22 MARCH 2023

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
68.	Wabere Jemmy	Secretary Ward 11		0760673591
69.	Mpho Victor MABILI	WARD 12 SECRETARY		0008078812
70.	Cecil Shabalala	WARD 13 SECRETARY		0637106253
71.	LINDWE RAOBE	WARD 12 C.O.W		0730552159
72.	VICTOR Ncube	ward 09 d.P. Secretary		066 0227075
73.	Sonbo Khosa.	ward 6. Secretary.		079 832 4085.
74.	William Nduli	ward 14 Secretary		0729326547
75.	Eunice Nthimunya	Community		0728604585
76.	PRIMROSE N/24	C.O.W WARD 23		073 070 9241
77.	OLIVANT MATHUNYI	C.O.W (COPTA) WARD 15		0731409381
78.	January M. Chabangu	ward 17 Secretary		0794326142
79.	HILL ARIANA	SRESANA WARD		029555019144
80.	Rose Masekoto	C.O.W ward 10 Cogta		0731199028 0605027437















ATTENDANCE REGISTER - 4<sup>TH</sup> 2022/2023 SPECIAL MPAC MEETING

22 March 2023

NO	SURNAME & NAMES	DESIGNATION	SIGNATURE
1	Maria Poppy Msiza	Speaker	
2	Lesetja Jacob Dikgale	Executive Mayor	
3	Thokozile Egnés Motanyane	Chief Whip	
4	Joseph Elias Mthimunyé	MMC Financial Services	
5	Thomas Lebandla Mabena	MMC Technical Services	
6	Ntombifuthi Thandeka Skhosana	MMC Social Services	
7	Lucky Xolani Mtsweni	MMC Planning and Economic Development	
8	Eunice Martha Malekane	MMC Corporate Services	
9	Lillian Martha Tshabangu	MPAC Chairperson	
10	Bongani Victor Msibi	Section 79 chairperson Financial Services	
11	Maria Thruddy Nobela	Section 79 chairperson Social Services	
12	Bongani Ntokozo Dlamini	Section 79 chairperson Planning and Economic Development	
13	Masofja Petros Nduli	Section 79 chairperson Technical Services	
14	Christinah Ndelehle Mahlangu	Section 79 chairperson Corporate Services	
15	Simon Chani Puleng Seswike	MPAC CLR	
16	Lucky Matlhatsi Maphoso Lukhose	MPAC CLR	



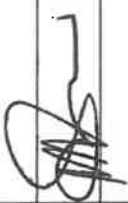


ATTENDANCE REGISTER - 4<sup>TH</sup> 2022/2023 SPECIAL MPAC MEETING

22 March 2023

NO	SURNAME & NAMES	DESIGNATION	SIGNATURE
17	Steven Citha Mahiangu	Ward (Cell 8) (3)	
18	Namtungwa Elizabeth Radebe	Ward Cllr 09	
19	Vusi Michael Ntuli	Cllr 5	
20	Mable Elsie Mabanga	Cllr 06	
21	Simon Bangiswani Sindana	MPAC member	
22	Khanyi Leah Masanabo	Ward (Cell) 10	
23	Mmelisizwe Terance Ntuli	Cllr Ward 11	
24	Moses Mmoisetsi Sepogwana		
25	Richard Bongani Jiyane		
26	Simon Vusi Masombuka	Ward 14 Cllr	
27	Simon Siphon Mnguni	WARD Cllr 15	
28	Tenboy Buttijie Dube	WARD Cllr	
29	Fikile Violet Mgayi	WARD Cllr	
30	David Sello Mokoena	Cllr 18	
31	Nomvula Sister Mnguni	Cllr 20	
32	Class Menzelwa Jiyane	Cllr 21	

ATTENDANCE REGISTER - 4<sup>TH</sup> 2022/2023 SPECIAL MPAC MEETING

22 March 2023

NO	SURNAME & NAMES	DESIGNATION	SIGNATURE
33	Sonto Rose Nhlapho	Ward Clerk 22	
34	Bernard Vusi Mtshaise	WARD CLERK 24	
35	Poppie Mahlangu		
36	Bawinile Simon Mabhena		
37	Mkhululi Jacob Sithole	Ward Clerk	
38	Rose Martha Kgomo		
39	Godfrey Nkosinathi Mahlangu	Ward Clerk	
40	Solomon Fickson Skosana		
41	Thabile Prunella Nkosi	THUM WARD CLERK 32	
42	Dipolelo Sinah Mampuru		
43	Maggie Thandi Mhlanga		
44	Tsanky Michael Rahlogo		
45	Nitombi Mitta Motaung		
46	Thabiso Klass Mahlangu		
47	Motlalepule Sweetness Rampisa		
48	Augustine Renny Mokwena		

ATTENDANCE REGISTER - 4<sup>TH</sup> 2022/2023 SPECIAL MPAC MEETING

22 March 2023

NO	SURNAME & NAMES	DESIGNATION	SIGNATURE
49	Busisiwe Maria Shibuni		
50	Abram Glen Sithole		
51	Remenky Stephinah Molefe		
52	Matalanyane Lucas Mokolo		
53	Lindiwe Kate Gulube		
54	Elliot Sunday Khumalo		
55	Xolani Clement Nyalunga		
56	Masontaga Adelaide Mkwena		
57	David Mabuzwa Sibanyoni		
58	Thabo John Tibane		
59	Samuel Mazungwe Mtsweni		
60	Andries Mphatlalashane Skhosana		
61	Zenaye Jantjie Mnguni		
62	Margaret Mahlangu		
63	Moses Thabo Mnguni		
64	Rubber Qaliwe Mtsweni		











## THEMBEHLE HANI LOCAL MUNICIPALITY

**4<sup>TH</sup> SPECIAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023**  
**VENUE: MUNICIPAL COUNCIL CHAMBER**

Date: 22 MARCH 2023

NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1. Lillian Martha Tshabangu	MPAC Member		071623 5917 0827910771
2. Simon Bangiswani Sindana	MPAC Member		076 888 1497
3. Richard Bongani Jiyane	MPAC Member		079 768 8989
4. Namntungwa Elizabeth Radebe	MPAC Member		081 864 9454 071 111 1961
5. Poppie Mahlangu	MPAC Member		072 654 2343 072 251 5838
6. Lucky Matlhatsi Lukhele	MPAC Member		076 983 5023 083 583 3217
7. Rubber Qaiwe Mtsweni	MPAC Member		073 659 5200 066 052 4148


NUMBERS	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
8.	Ntombi Mitta Motaung	MPAC Member		072 290 3386
9.	Masontaga Adelaide Mokwena	MPAC Member		060 807 9461
10.	Zenaye Jantjie Mnguni	MPAC Member		060 651 5278
11.	K.O. Bopu	Researcher		013 986 9122
12.	K.S. Morpe	Assistant Manager PMS		013 986 9123
13.	T.E. Babuji	CRO		013 986 9106
14.	A.S. Malope	CAE		013 986 9167
15.	B.T. Mhwazi	SDS BPR7P		0760184259
16.				
17.				67



THEMBEHLE HANI LOCAL MUNICIPALITY

4<sup>TH</sup> SPECIAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023  
VENUE: MUNICIPAL COUNCIL CHAMBER

Date: 22 MARCH 2023

NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1.	Ndebele Kingdom		
2.	Manala Mbhongo		
3.	Manala Mgibe		
4.	Manala Makerana		
5.	Ndzunza Somphalali		079 601 8026
6.	Ndzunza Fene		
7.			





Minutes of the 5<sup>th</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 24 March 2023 at THLM Municipal Council Chamber

**REF.: 3/2/4/3**

## **THEMBISILE HANI LOCAL MUNICIPALITY**



# **MINUTES**

**OF THE 5<sup>TH</sup> SPECIAL 2022/2023 MUNICIPAL PUBLIC ACCOUNTS  
COMMITTEE MEETING HELD ON THE 24 MARCH 2023 AT THLM  
COUNCIL CHAMBER**



Minutes of the 5<sup>th</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 24 March 2023 at THLM Municipal Council Chamber

### **PRESENT**

1. Clr. LM Tshabangu
2. Clr. RB Jiyane
3. Clr. NE Radebe
4. Clr. MA Mokwena
5. Clr. SB Sindana
6. Clr. LM Lukhele (Maphoso)

### **ABSENT**

1. Clr. RQ Mtsweni
2. Clr. NM Motaung
3. Clr. ZJ Mnguni
4. Clr. P Mahlangu

### **OFFICIALS PRESENT**

KO Bapela : Asst. Manager MPAC Researcher, Monitoring and Evaluation

### **OTHER ATTENDEES**

E Nkhwazi : EPWP



## **1. OPENING AND WELCOME**

Mr. KO Bapela (Asst. Manager, MPAC Researcher, Monitoring and Evaluation) read the notice to the meeting.

The meeting was officially opened by the MPAC chairperson, Clr LM Tshabangu.

The chairperson welcomed members present and declared the meeting officially opened.

## **2. APPLICATIONS FOR LEAVE OF ABSENCE**

1. Clr. P Mahlangu

### **OTHER**

None

## **3. OFFICIAL ANNOUNCEMENTS**

None

## **4. MOTION OF SYMPATHY AND CONGRATULATIONS**

None

## **5. DISCLOSURE OF INTERESTS**

None

## **6. MINUTES OF THE PREVIOUS MEETINGS**

- 6.1 Minutes of the 3<sup>rd</sup> (2022/2023) ordinary MPAC meeting held 21-24 February 2023

### **RESOLVED**

**THAT.** Minutes of the 3<sup>rd</sup> (2022/2023) ordinary MPAC meeting held 21-24 February 2023 are adopted

**Mover:** Clr. LM Lukhele (Maphoso)

**Seconder:** Clr. SB Sindane



Minutes of the 5<sup>th</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 24<sup>th</sup> March 2023 at THLM Municipal Council Chamber

6.2 Minutes of the 3<sup>rd</sup> (2022/2023) special MPAC meeting held on 09 march 2023

**RESOLVED**

**THAT.** Minutes of the 3<sup>rd</sup> (2022/2023) special MPAC meeting held on 09 march 2023 are adopted

**Mover:** Clr. NE Radebe

**Seconder:** Clr. MA MOKWENA

6.3 Minutes of the 4<sup>th</sup> (2022/2023) Special MPAC meeting held 22 march 2023

**RESOLVED**

**THAT.** Minutes of the 4<sup>th</sup> (2022/2023) Special MPAC meeting held 22 march 2023 are adopted

**Mover:** Clr. RB Jiyane

**Seconder:** Clr. MA Mokwena

6.4 Minutes of the 5<sup>th</sup> (2022/2023) Special MPAC meeting held 24 march 2023

**RESOLVED**

**THAT.** Minutes of the 5<sup>th</sup> (2022/2023) Special MPAC meeting held 24 march 2023 are adopted (today)

**Mover:** Clr. NE Radebe

**Seconder:** Clr. RB Jiyane



**7. QUESTIONS OF WHICH NOTICE HAD BEEN GIVEN**

None

**8. DEFERRED ITEMS**

None

**9. REPORTS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

**TH-MPAC 20/03/2023**



# Non-Delegated Index Items

ITEM NO.	SUBJECT
TH-MPAC 20/03/2023	DRAFT MPAC OVERSIGHT REPORT ON THE MUNICIPALITY'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022



Minutes of the 5<sup>th</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held ~~76~~ the 24 March 2023 at THLM Municipal Council Chamber

**TH-MPAC 20/03/2023**

**DRAFT MPAC OVERSIGHT REPORT ON THE  
MUNICIPALITY'S ANNUAL REPORT FOR THE  
YEAR ENDED 30 JUNE 2022**

**DISCUSSIONS**

The committee considered the draft Oversight Report and resolved to adopt it with some additions and corrections.



## **RESOLUTIONS**

1. **THAT** the MPAC Draft Oversight Report on the Annual Report for 2021/2022, is considered and adopted by the committee without reservations.
2. **THAT** the MPAC having adopted the report, recommends to council to adopt the oversight report and approve the annual report without reservations.



Minutes of the 5<sup>th</sup> Special 2022/2023 Municipal Public Accounts Committee meeting held on the 24 March 2023 at THLM Municipal Council Chamber

**10. DEPUTATIONS**

NONE

**11. MOTIONS**

NONE

**12. CLOSURE**

The chairperson appreciated the attendance and active participation by the committee members

The chairperson officially declared the meeting closed.

  
C.F. LM TSHABANGU  
(MPAC CHAIRPERSON)






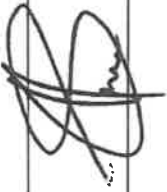
24 March 2023  
DATE

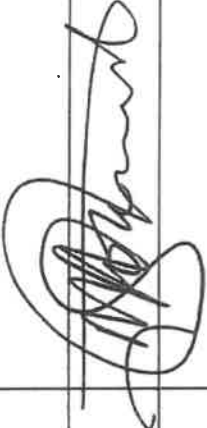






## THEMBELELE HANI LOCAL MUNICIPALITY

**5<sup>TH</sup> SPECIAL MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING 2022/2023**  
**VENUE: THLM MUNICIPAL COUNCIL CHAMBER**

Date: 24 MARCH 2023

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
1.	Lillian Martha Tshabangu	MPAC Chairperson		071623 5917 0827910771
2.	Simon Bangiswani Sindana	MPAC Member		076 888 1497
3.	Richard Bongani Jiyane	MPAC Member		079 768 8989
4.	Namtungwa Elizabeth Radebe	MPAC Member		081 864 9454 071 111 1961
5.	Poppie Mahlangu	MPAC Member		072 654 2343 072 251 5838
6.	Lucky Mathlatsi Lukhele	MPAC Member		076 983 5023 083 583 3217
7.	Rubber Qaliwe Mtsweni	MPAC Member		073 659 5200 066 052 4148

	NAMES	DEPARTMENT AND DESIGNATION	SIGNATURE	CONTACT
8.	Ntombi Mitta Motaung	MPAC Member		072 290 3386
9.	Masontaga Adelaide Mokwena	MPAC Member		060 807 9461
10.	Zenaye Jantjie Mnguni	MPAC Member		060 651 5278
11.	K.O. Bapela	Researcher		073 <del>671</del> 4073
12.	S.T. Khwazi	SDS PPXP		076 0984229
13.				
14.				
15.				
16.				
17.				80

**ANNEXURE B**

**DRAFT ANNUAL REPORT CONSULTATION  
PROCESSES**



**MEMORANDUM  
CORPORATE SERVICES**

**TO** : PERFORMANCE MANAGEMENT SYSTEM UNIT  
**FROM** : MUNICIPAL MANAGER  
**SUBJECT** : IMPLEMENTATION OF COUNCIL RESOLUTIONS  
**DATE** : 01/02/2023

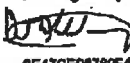
At its Ordinary Council meeting held on the 31<sup>ST</sup> January 2023, council resolved among others the following:

**TH-NDC 174/01/2023**      **2021/2022 DRAFT ANNUAL REPORT AND AUDIT ACTION PLAN**

**RESOLVED**

- 1 **THAT** the 2021/2022 Draft Annual Report and Audit Action Plan be noted;
- 2 **THAT** the 2021/2022 Draft Annual Report be tabled to council as required by Section 127 (2) of the Local Government Municipal Finance Management Act, No 56 of 2003;
- 3 **THAT** tabling of the 2021/2022 Draft Annual Report by the Executive Mayor in term of Section 127(2) be approved for publication in terms of section 127(5) (a) (i) and (ii) of the MFMA;
- 4 **THAT** the 2021/2022 Draft Annual Report must be submitted to Auditor General, the relevant Provincial Treasury, National Treasury and Provincial department responsible for local government in the province.

Hope that you find the above in order

DocuSigned by:  


.....  
**DJD MAHLANGU**  
**MUNICIPAL MANAGER**

### Coach laments his side's lack of conversion

By Athabool Tsoel

University of Pretoria coach Tlissane Motung says their 2-1 win over Uthongathi in the Mosepe Foundation Championship will boost the players' confidence.

Before Saturday's win, Ama-Tuks had gone 10 games without winning, losing four matches at home. The win came courtesy of goals from Ayanda Myambi and Vuyolwafu Dingo.

The team is currently in seventh place with 25 points.

Reflecting on the win, Motung appreciated how it will pick up the morale of the players after they went through a phase of bad form.

"It was a good win. This is a team that was undefeated in 10 matches in the first round... then the next moment you go on a series of losing matches, it brings levels of uncertainty in the players," Motung said yesterday.

"The win was very important for us, especially after not having a good run of wins, and in particular at home. All the games we have lost have been at home. Our record at home was a little bit disastrous.

"This at least brings belief and confidence in the team going forward; we can do better, so it was encouraging. I thought in the first half we should have scored a couple of goals, the first half belonged to us completely. We did not use the opportunities that we created, that's where my disappointment was," he said.

Despite being pleased with the win, Motung lamented his side's lack of conversion in front of goal, saying it puzzles him because they have the players [who can score].

"We create so many chances, I don't want to lie, the only thing we need to improve on is the conversion of those chances. Against Uthongathi we hit the post three times in the first half, and we have material to score, and I don't understand why we miss so many chances.

"I'm adamant that we'll improve on that aspect. As soon



# Tlissane relieved as Tuks end 10-match winless streak

Tlissane Motung, head coach of University of Pretoria during the 2023 Nedbank Cup qualification game against Cape Town Spurs at Athlone Stadium. /RYAN WILKISKY / BACKPAGEPIX

as we improve on it, you'll see the difference," Motung said.

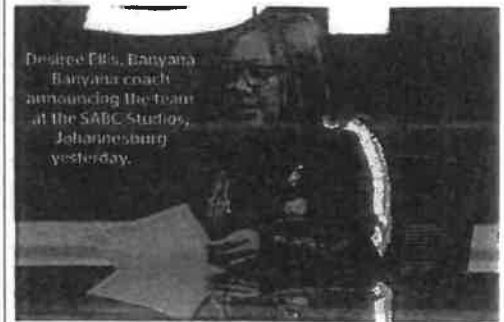
**NFD results:**  
All Stars 0 - 0 Callies  
Cascadia Stars 2 - 1 Baroka

Pk City 0 - 0 CT Spurs  
TTM 1 - 2 Pt. C. Rovers  
Tuks 2 - 1 Uthongathi  
Hunery Lions 2 - 1 JDR Stars  
Venda Aca. 0 - 1 Maest  
NB La Miesie 2 - 0 Leopards

### NFD Log

Rank	Team	P	A	W	D	L	GF	GA	PTS
1	Cascadia Stars	17	11	3	3	24	14	10	36
2	Pk City	17	10	4	3	23	13	10	34
3	CT Spurs	17	9	4	4	20	11	9	31
4	Hunery	17	9	3	5	16	13	5	30
5	JDR Stars	17	8	4	5	24	13	11	28
6	All Stars	17	7	5	4	15	9	6	27
7	Univ of Pretoria	17	6	7	4	20	20	0	25
8	Uthongathi	17	5	7	5	15	17	1	22
9	Magpies	17	6	4	7	13	19	-5	22
10	Baroka	17	5	4	8	20	21	-1	19
11	Pt. C. Rovers	17	5	4	8	14	20	-6	19
12	NB La Miesie	17	5	3	9	18	22	-4	18
13	V. F. B. Aca.	17	5	3	9	9	19	-10	16
14	Callies	17	4	4	9	13	15	-3	16
15	TTM	17	5	1	11	16	26	-10	16
16	Leopards	17	2	7	8	13	23	-10	13

### Earthquake could shake Banyana's World Cup preparations



Desiree Ellis, Banyana Banyana coach announcing the team at the SABC Studios, Johannesburg yesterday.

### Turkey trip for tournament in huge doubt

By Athabool Tsoel

Banyana Banyana's chances of participating in the Turkish Women's Cup this month are in doubt after Monday's earthquake that hit Turkey and Syria.

Over 4,000 people have been killed by the earthquake and infrastructure has also been damaged. Banyana were set to take on Turkey on February 15, Uzbekistan on February 18 and then conclude with Venezuela on February 21.

All games are scheduled to play at the Goldcity Sport Complex in Kargicak.

The tournament serves as preparation for the Fifa Women's World Cup later this year in Australia and New Zealand. The locally based Banyana players are scheduled to travel to Turkey this week, with the overseas players joining them before the start of the competition.

Yesterday at the SABC studios, Banyana coach Desiree

Ellis announced a 28-women squad which will be trimmed to 23 before departing for Turkey, but she also addressed the possibility of the Turkish Women's Cup being cancelled following the earthquake.

"We are in contact with the embassy as well as the local organisers. We can only continue with our preparations until we're told otherwise; we'll continue with that and get ready for the Turkish Cup," Ellis said.

The Wafcon-winning coach said there will be discussions with Sefa technical director Walter Steenbok and the rest of the relevant parties to see if they can come up with alternatives should the competition be canned.

"We want to get an answer as soon as possible. If anything happens we might get an answer at the very last minute, so we are trying to get in touch with them to get feedback on what is happening," said Ellis.

"We'll work on a plan B or plan C because we can't waste this opportunity, we only have two Fifa dates; they have taken away the January and June dates, and we only have two Fifa dates that we can bring in players from abroad."

### LOCAL AUTHORITY NOTICE CITY OF EKURHULENI METROPOLITAN MUNICIPALITY MUNICIPAL PUBLIC ACCOUNTS COMMITTEE HEARING

NOTICE IS HEREBY GIVEN in terms of section 130 of the Local Government Municipal Finance Management Act, Act 56 of 2003 read with section 29 of the Local Government: Municipal Systems Act, Act 32 of 2000, that the MUNICIPAL PUBLIC ACCOUNTS COMMITTEE of the City of Ekurhuleni Metropolitan Municipality will hold a Public Hearing to discuss the 2021/2022 Annual Report on the 18 February 2023 at 10:00 am till 12:00 pm in the New Gerstman Council Chamber; 17 February 2023 at 10:00 am till 12:00 pm in the New Gerstman Council Chamber; 03 March 2023 at 10:00 am till 12:00 pm in the New Gerstman Council Chamber and 06 March 2023 at 10:00 am till 12:00 pm in the New Gerstman Council Chamber.

Members of the public, business and media are welcomed to attend the hearing in order to observe the proceedings and be informed of developments within the area of the Municipality.

Upon arrival at the venue public must register with MPAC officers.

For communication and confirmation to attend the MPAC Public Hearings, contact Mr. Cassius Muzumali Dlamini - (011) 999 8265 or cassiusmuzumali.dlamini@ekurhuleni.gov.za

Dr. Imogen Mieschel, City Manager, City of Ekurhuleni Metropolitan Municipality, 2nd Floor, Head Office Building, corner Cross and Rose Streets, Private Bag X1969, Germiston, 1409.

07 February 2023  
Notice No 02/2023

a partnership that works  
www.ekurhuleni.gov.za



**Thembulile Hoof Local Municipality**  
Public Notice

**2021/2022 FINANCIAL YEAR DRAFT ANNUAL REPORT**

Pursuant to Section 130(a) of the Municipal Finance Management Act, Act No. 56 of 2003, and Section 46 of the Municipal Systems Act, Act No. 32 of 2000, members of the community and interested groups are invited to submit written comments and/or representations on the 2021/2022 Financial Year (FY) Draft Annual Report as tabled in the Municipal Council that convened on the 27 of January 2023.

Pursuant to Section 5(4) of the Municipal Systems Act, the 2021/2022 FY Draft Annual Report of Thembulile Hoof Local Municipality is available at our Waggonfontein, KwaMphahle and Tweefontein K Offices during working hours 08:30 - 16:00, Municipal Public Libraries which are stationed in Kwaqagabane, Phomane and Verano, and also on our Municipal Website ([www.thembulilehoof.gov.za](http://www.thembulilehoof.gov.za)).

The Draft Annual Report can be viewed/accessed from the 7<sup>th</sup> to the 27<sup>th</sup> of February 2023.

Comments can be made via email to [mpac@thembulilehoof.gov.za](mailto:mpac@thembulilehoof.gov.za) and/or at our above-mentioned offices, and the closing date is 01:00 pm, the 27<sup>th</sup> of February 2023, and any person who cannot write may come to the above-mentioned offices during working hours for transcription assistance.

Enquiries regarding the notice may be addressed to our Performance Management Systems (PMS) Assistant Manager, Ms. Gush Morija, through 011 986 9123 and/or [mpac@thembulilehoof.gov.za](mailto:mpac@thembulilehoof.gov.za).

Mr. D.J.D. Mshlangu - Municipal Manager



**Thembisile Hani Local Municipality****Public Notice****2021/ 2022 FINANCIAL YEAR DRAFT ANNUAL REPORT**

Pursuant to Section 127(5)(a) of the Municipal Finance Management Act, Act No. 56 of 2003, and Section 46 of the Municipal Systems Act, Act No. 32 of 2000, members of the community and interested groups are invited to submit written comments and/ or representations on the 2021/ 2022 Financial Year (FY) Draft Annual Report as tabled in the Municipal Council that convened on the 31<sup>st</sup> of January 2023.

Pursuant to Section 21A of the Municipal Systems Act, the 2021/ 2022 FY Draft Annual Report of Thembisile Hani Local Municipality is available at our Kwaggafontein, KwaMhlanga and Tweefontein K Offices during working hours (07:45 – 16:00), Municipal Public Libraries which are stationed in Kwaggafontein, Phumula and Verena, and also on our Municipal Website ([www.thembisilehanilm.gov.za](http://www.thembisilehanilm.gov.za)).

The Draft Annual Report can be viewed/ accessed from the 7<sup>th</sup> to the 27<sup>th</sup> of February 2023.

Submissions can be made via email to [moripes@thembisilehanilm.gov.za](mailto:moripes@thembisilehanilm.gov.za) and/ or at our above-mentioned offices, and the closing date is Monday, the 27<sup>th</sup> of February 2023, and any person who cannot write may come to the above-mentioned offices during working hours for transcribe assistance.

Enquiries regarding the notice may be addressed to our Performance Management Systems (PMS) Assistant Manager, Ms. Sinah Moripe, through 013 986 9123 and/ or [moripes@thembisilehanilm.gov.za](mailto:moripes@thembisilehanilm.gov.za).

DocuSigned by:

A handwritten signature in black ink, appearing to read 'D.J.D. Mahlangu', is written over a horizontal line.

8E47CE90789F4F7...

**Mr. D.J.D. Mahlangu**  
**Municipal Manager**

**THEMBISILE HANI LOCAL MUNICIPALITY**



**ACKNOWLEDGEMENT OF RECEIPT  
OF  
THE DRAFT ANNUAL REPORT 2021/ 2022**

NAME AND SURNAME	ORGANISATION/DEPARTMENT	TELEPHONE	DATE RECEIVED	SIGNATURE
KARABO MAMABODO	Phumula THLM Library	0826352568	07.02.2023	


**THEMBISILE HANI LOCAL MUNICIPALITY**



**ACKNOWLEDGEMENT OF RECEIPT**

**OF**

**THE DRAFT ANNUAL REPORT 2021/ 2022**

NAME AND SURNAME	ORGANISATION/DEPARTMENT	TELEPHONE	DATE RECEIVED	SIGNATURE
G. B. Mawanya.	Verena THLM Library	078 944 1143	07/02/2023	


**THEMBISILE HANI LOCAL MUNICIPALITY**



**ACKNOWLEDGEMENT OF RECEIPT**

**OF**

**THE DRAFT ANNUAL REPORT 2021/ 2022**

NAME AND SURNAME	ORGANISATION/DEPARTMENT	TELEPHONE	DATE RECEIVED	SIGNATURE
P.J. Masesombuka	Tweefontein W.M. THLM Satellite Office	0833527000	07/02/2023	


**THEMBISILE HANI LOCAL MUNICIPALITY**



**ACKNOWLEDGEMENT OF RECEIPT**

**OF**

**THE DRAFT ANNUAL REPORT 2021-2022**

NAME AND SURNAME	ORGANISATION/DEPARTMENT	TELEPHONE/CELL	DATE RECEIVED	SIGNATURE
Nomso Masingo	Kwamhlanga THLM Satellite offices	071 249 29 42	07/02/23.	

**THEMBISILE HANI LOCAL MUNICIPALITY**



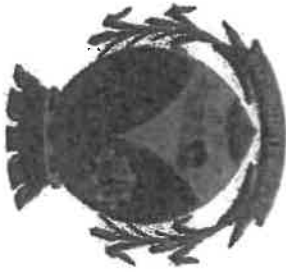
**ACKNOWLEDGEMENT OF RECEIPT**

**OF**

**THE DRAFT ANNUAL REPORT 2021-2022**

NAME AND SURNAME	ORGANISATION/DEPARTMENT	TELEPHONE/CELL	DATE RECEIVED	SIGNATURE
Sudziye Moloye	Kwaggafontein THLM Old Building	0636485400	07.02.2023	

**THEMBISILE HANI LOCAL MUNICIPALITY**



**ACKNOWLEDGEMENT OF RECEIPT**

**OF**

**THE DRAFT ANNUAL REPORT 2021-2022**

NAME AND SURNAME	ORGANISATION/DEPARTMENT	TELEPHONE/CELL	DATE RECEIVED	SIGNATURE
Jasmine Spence	Kwaggafontein THLM Library	071 162 1058	07/09/2022	

**THEMBISILE HANI LOCAL MUNICIPALITY**



**ACKNOWLEDGEMENT OF RECEIPT**

**OF**

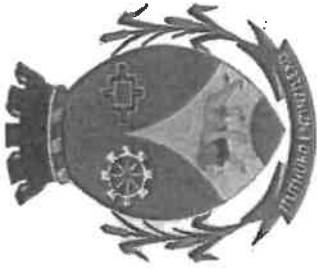
**THE DRAFT ANNUAL REPORT 2021-2022**

NAME AND SURNAME	ORGANISATION/DEPARTMENT	TELEPHONE/CELL	DATE RECEIVED	SIGNATURE
Uwey Masekhe	Kwagqafontein THLM New Building	076 889 1906	07/02/2023	

## **ANNEXURE C**

### **MPAC QUESTIONNAIRE AND EXECUTIVE MAYOR'S RESPONSES**

# THEMBISILE HANI LOCAL MUNICIPALITY



## MPAC 2021/2022 ANNUAL REPORT FOLLOW-UP QUESTIONNAIRE

**First Issued : Tuesday 28 February, 2023**

**To : The Executive Mayor**

**From : Municipal Public Accounts Committee**

**Subject : MPAC Hearing**

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p><u>Item Discussed</u> Annual Report</p>			
<p><b>1. Observation:</b> The MPAC has observed on page 31, chapter 2 of annual report in the last sentence of paragraph 2 the following statement: <b><i>"This section 79 committee are chaired by independent councillors other than members of the Mayoral Committees"</i></b></p> <p><b>1.1. Questions:</b> Can the Executive Mayor clarify the committee about the meaning of "independent councillors".</p>	<p><b>Independent Councillor</b> means a Councillor appointed by the elected Councillors.</p> <p>Section 79 (1) A municipal council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers (b) appoint the members of such a committee from among its members and (2) (c) must appoint the chairperson. As a result the Chairperson of these Committees are other Councillors other than the Members of the Mayoral Committee.</p>	<p><b>Can the Executive Mayor clarify the committee in details about the meaning of independent councillors in the context of the municipal perspective?</b></p> <p>In this context, an Independent Councillor means a Councillor nominated by other Elected Councillors to chair a certain committee.</p>	

MPAC 2021/2022 Annual Report Follow-Up Questionnaire

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p><b>2. Observation:</b> The MPAC has observed under 2.1 political governance page 32 and 33 that composition of the members of the Mayoral Committee has not changed</p> <p><b>2.1. Questions :</b> Can the Executive Mayor clarify the committee on why there are no changes in Members of the Mayoral committee in the draft annual report</p>	<p>This line items refers to new projects that were not contained in the initial IDP during the allocation/designation of project codes. Codes will be allocated on the draft IDP of the new financial year.</p>	<p><b>Can the Executive Mayor respond to the question accurately?</b></p> <p>During the compilation of the Draft Annual Report, a formal notification was not yet in place on the changes to the Mayoral Committee.</p> <p>Our apologies thereto for the error committed when initially responding to the question, for there was oversight when we were consolidating the responses.</p>	
<p><b>3. Observation:</b> The MPAC has observed under component c, page 38 in the last paragraph that ward councillors are mandated to convene six mandatory meetings per annum as opposed to the four mandatory meetings stipulated in the standing rule and orders of council.</p> <p><b>Question :</b> Can the Executive Mayor advise the administration to correct the figures</p>	<p>The advice to correct the figures of the meetings to align with the figure stipulated in the standing rules and orders of council will be provided.</p>		<p><b>Accepted</b></p>

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<b>Technical Services</b>			
<p>4. On project codes DTS007 and DTS033 under Variance/Comments, the committee has observed that 26 740 households are being provided water through Water Tankers.</p> <p>4.1. Questions: Can the Executive Mayor provide the committee with POE on the household which were provided water through the Water Tankers?</p>	<p>4.1 The signed form of delivery note on the number of households which were provided with water through the Water Tankers, is attached hereto as POE attached.</p>	<p><i><b>This POEs are not in details Can the Executive Mayor provide committee with tangibles details information on the household benefited?</b></i></p> <p>The list of water supply through water tankers is available and will be immediately made available to the Committee.</p> <p>We have also embarked on the identification of all Storage (Storage) Tanks in THLM, located in strategic and easily accessible locations for supply of water.</p> <p>The list of all available tanks (which will be made available) will be mapped with GPS coordinates, which we are working on as a Municipality and will be finalising before the end of March 2023, and the followed by the GIS mapping process.</p>	

MPAC 2021/2022 Annual Report Follow-Up Questionnaire

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p>5. On project code DTS158 the observed a non-achievement.                      5.1. Questions: Can the Executive Mayor share with the committee the status quo to date, and if the project is completed provide POE?</p>	<p>5.1 This project is a work in progress project implemented in a Multi FY format and the last phase is expected to be completed by the end of 2023/2024 FY</p>		
<p>6. On project DTS165, the committee has observed that the project was not achieved due to slow progress on site whereas there is an over expenditure of R6 815 839.39.                      6.1. Questions: Can the Executive Mayor clarify the committee on what led to the over expenditure, whilst the project is not completed?                      6.2. Can the Executive Mayor indicated to the committee where was the over expenditure amount (R6 815 839.39) derived from?                      6.3. What is the current status quo of the project?</p>	<p>6.1 The Municipality received an additional 4 million in March 2023 which was approved by council to be spent and also virement from Bomandu water infrastructure project, however it was not aligned with the SDBIP, hence the over expenditure was shown, but it was covered by the additional funding received and virement. The projects were also implemented in a multi-year approach.                      6.2 There was no over expenditure. It was derived from the additional amount received from DWS and virement processes.</p>	<p><i>This question is not properly answered too, can the Executive Mayor provide appropriate answer to the committee?</i>                      Following good performance during implementation in the 2021/ 2022 financial year, the Municipality received additional funding from DWS to the tune of R 4 million on the 30<sup>th</sup> of March 2022, whilst Council had already passed the February 2022 adjustment budget.                      The Project did not achieve completion as it is a multi-year, and the additional funding</p>	

MPAC 2021/2022 Annual Report Follow-Up Questionnaire

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
	6.3 The project is completed.	<p>reduced the 2022/ 2023 year's budget needs by R 6 815 839.39.</p> <p>The project has since been practically completed in December 2022.</p> <p><b>Can the Executive Mayor Provide a detail POEs of the project?</b></p> <p>The POE's (additional funding letter and virement) are available and will be submitted to the Committee accordingly.</p>	
<p>6.4. On project DTS185, the committee observed that the target was not met due to insufficient resources.</p> <p>6.5. <b>Questions:</b> Can the Executive Mayor clarify the committee on what are the "Insufficient Resources" relates to, and what is the plan in allocating those resources going forward?</p>	<p>There was a delay in supply of material. The material has now been supplied.</p>		
<p>7. On project DTS150, the committee has observed that the target was not achieved due to delays caused by the</p>	<p>7.1 The project was never budgeted sufficiently to reach the target of 85%, however the over</p>	<p><b>The questions have not been answered</b></p>	

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p>local business forum challenges, and further the committee noted that the budget was exhausted meanwhile the progress on the project is still at 85%.</p> <p><b>7.1. Questions:</b> Can the Executive Mayor clarify the committee on what led to over spending on the project while the project is still at over 85% performance</p>	<p>expenditure was incurred and virement were performed from other projects to cover for the over expenditure.</p>	<p><b>Can the Executive Mayor provide committee with status quo and POEs?</b></p> <p>The project has reached practical completion stage, and the POE is available and will be submitted to the Committee.</p>	
<p><b>8.</b> On the project code DTS167 the committee has noted that the target was not achieved due to slow progress one side and the reason over expenditure of <b>R858 786.17</b> on the same project</p> <p><b>8.1. Questions:</b> Can the Executive Mayor clarify the committee on what led to the over expenditure, whilst the project is not completed?</p> <p><b>8.2. Questions:</b> Can the Executive Mayor indicate to the committee where the over was expenditure amount (<b>R858 786.17</b>) derived from?</p> <p><b>8.3.</b> What is the current status quo of the project?</p>	<p><b>8.1</b> The over expenditure was incurred due to insufficient budgeting on the project. The project is a multi-year project and it is budgeted for in the 2022/2023 FY to complete the works.</p> <p><b>8.2</b> The over expenditure on the project is derived from additional works that the contractor was required to complete as a variation order.</p> <p><b>8.3</b> The project is completed.</p>		

MPAC 2021/2022 Annual Report Follow-Up Questionnaire

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p>9. On the project code SDS001 the committee has noted that the target was not achieved due to the awaiting the approval of land-fill site from DWS and further committee observed an over expenditure of R2 740 480, 08</p> <p>9.1. Questions Can the Executive Mayor clarify the committee on what led to the over expenditure of R2 740 480, 08, whilst the project is not completed?</p> <p>9.2. Questions: Can the Executive Mayor indicate to the committee where was the over expenditure amount (R2 740 480, 08) derived from?</p> <p>9.3. Questions: What is the current status quo of the project?</p>	<p>9.1 The project was never budgeted sufficiently to reach the target of 85%, however the over expenditure was incurred and virement were performed from other projects to cover for the over expenditure.</p> <p>9.2 Insufficient budgeting on the project.</p> <p>9.3 The project is practically completed</p>	<p>9.1 <i>This question is not answered</i>  <b>Can the Executive Mayor clarify the committee on the 90% not 85%?</b></p> <p>The actual performance was 90% with an outstanding 10% for obtaining of Landfill Site Approval from DWS.</p> <p><b>On 9.2 can the Executive Mayor clarify the committee how the over expenditure of R2 740 480.08 was funded by insufficient budgeting as per the respond?</b></p> <p>The expenditure was funded through an internal virement process, and the POE is on place and will be made available to the Committee.</p>	

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p>10. On the project code SDS007 the committee has noted that the target was achieved however we noted over expenditure R 847 259,98</p> <p>10.1. Questions: Can the Executive Mayor clarify the committee on what led to the over expenditure of R847 259,98</p>	<p>10.1 The over expenditure on the project was incurred due to additional works that the contractor has to carry out as results of VO.</p> <p>Virement were performed to cover for the over expenditure from other projects.</p>	<p><i>What led to the additional scope?</i></p> <p>The additional scope was to meet the requirements by the South African Football Association (SAFA), which included the installation turnstiles for access control purposes during the matches.</p>	
<p>11. On project code project TP011 the committee has observed that the target was not achieved due to unavailability of traditional leaders</p> <p>11.1. Questions: Can the Executive Mayor share with the committee what led to non-attendance of the traditional leaders to the meeting</p>	<p>There was a planned workshop with the Manala-Mbongo Traditional Authority and that workshop could not materialise due to the non-availability of the members of the Traditional Authority whilst other traditional authorities like Ndzuza – Somphalali Traditional Authority attended the workshop because the municipal officials were visiting individual traditional authorities.</p>		<p><b>Accepted</b></p>

MPAC 2021/2022 Annual Report Follow-Up Questionnaire

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p>12. On project code TP012 the committee has observed that the target was not achieved due to non-payment of submission fee, Rectification of mistakes, Circulation to other department</p> <p>12.1. Questions: Can the Executive Mayor explain each of the reasons provided under the variances/comments column?</p>	<p>This is due to some clients submitting and expecting the municipal officials to assess their building plans without first paying for their submitted plans. And such building plans will not be attended to until the client is informed and paid their submission fee.</p>		
<p>13. On project codes LED004 and LED008 the committee observed that the target was not achieved due to non-submission of LED forum report and LED investment strategy to special Mayoral Committee meeting</p> <p>13.1. Questions: Can the Executive Mayor share with the committee on what led to non-submission of LED forum report and LED investment strategy to ordinary Mayoral committee meeting</p>	<p>13.1.The Forum Report has been linked to meeting with Lucrative investors. Because no lucrative investors could be met at that time, the report could not be submitted.</p> <p>13.2.The LED investment strategy was not ready for presentation at the Mayoral committee as there were still aspects of the strategy that were still researched upon</p>		
	<p><b>Corporate services</b></p>		

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p><b>14. Observation:</b> DCS003 the committee observed under action plan that the IPMS policy will be approved in July 14.1. <b>Questions:</b> Can the executive Mayor provide the committee with the current status of the policy?</p>	<p>14.1. Policy development committee has sat in February to look into review of policies. A Special meeting will be held to consider the IPMS policy.</p>	<p><i>Can the executive mayor provide the committee with the IPMS policy?</i></p> <p>The PMS policy is immediately available and will be provided to the Committee for ease of reference.</p>	
<p><b>15. Observation:</b> DCS005 the committee observed that the posts were frozen under comments and will be advertised during the next financial year. 15.1. <b>Questions:</b> Can the executive Mayor provide the committee with reasons for freezing the posts and also provide the current status of those posts?</p>	<p>15.1. The posts were frozen to allow the process of placement to be finalised following the organisational re-engineering process that took place, through the Local Labour Forum. 15.1. The municipality has been able to prioritise 42 funded posts and they are all advertised. Currently, 21 posts have been filled up to so far, the last 21 processes are still ongoing to be finalised.</p>		
<p><b>16. Observation:</b> DCS007 the committee observed that the municipality budgeted R2 968 887 for training 211 employees as the target however only 80 employees</p>	<p>16.1. The budget for training includes accommodation and meals so the funds were utilised to pay for training courses and accommodation and meals.</p>	<p><i>Why is the budget for meals, accommodation and training included in the same budget?</i></p>	

MPAC 2021/2022 Annual Report Follow-Up Questionnaire

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p>were trained but the amount spent is R 2 500 567 (84%)</p> <p>16.1. <b>Questions:</b> Can the executive Mayor clarify the committee on the expenditure of 84% for training only 80 employees against the planned target of 211 employees?</p>		<p>That is the way mSCOA is designed to link meals, accommodation to each training.</p> <p><b>Does the mSCOA allow the budget for meals, accommodation and training to be included in the same budget?</b></p> <p>Yes, each and every training related line segment has its own line segment for accommodation and meals. Each and every training program rolled out when fees are paid, also accommodation and meals will be paid simultaneously.</p> <p><b>Why was the municipality in the first place targeting to train 211 employees with insufficient budget considering that as per 2020/2021 financial year annual report we have</b></p>	

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
		<p><i>trained 199 employees with R 1 921 490.96 budget?</i></p> <p>The municipality draws the number of training programs and beneficiaries based on the requests it gets through skills gaps forms as circulated. Therefore, the total target mentioned is a sum of skills gaps forms submitted.</p> <p>Furthermore, the costs of the training courses differ in terms of the level, NQF levels and quantity. Unfortunately training providers are appointed on a quotation system that are regulated as per legislation and our Supply Chain Management policy, whereby functionality and price form the basis of the evaluation, adjudication and appointment. In a nutshell, the lowest bidder (quotation) at the final stage will be appointed.</p>	

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p><b>17. Observation:</b> DCS022 the committee observed the over expenditure of R953 385,50 against budget of R951 788 yet the target is not achieved, only 110 vehicles licensed against planned target of 143 vehicles.</p> <p><b>17.1. Questions:</b> Can the Executive Mayor clarify the committee about the over expenditure incurred while the target is not achieved.</p> <p><b>17.2.</b> Can the executive Mayor provide the committee with the list of the vehicles licensed and their functionality status.</p>	<p><b>17.1.</b> The municipality received additional 3 fleet from Nkangala District Municipality, namely the JetPatcher, Diesel bowser and lowbed truck, the above mentioned fleet had to be licensed by the municipality, which was never budgeted for.</p> <p><b>17.2.</b> The reason for the 110 vehicles over 143 vehicles, is due to the fact that the vehicle license disks do not all expire in the same day or month. The additional 33 vehicles will be licensed as and when their license disks expires.</p> <p>See attached excel spreadsheet for the list of vehicles and their functionality</p>	<p><i>Can the Executive Mayor provide the committee with spreadsheet/POEs which shows expiring dates of the license disks and also dates of renewal of license disks?</i></p> <p>The information is available and will be submitted to the Committee accordingly.</p>	

MPAC 2021/2022 Annual Report Follow-Up Questionnaire

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p><b>18. Observation:</b> DCS031 the committee observed under comments that the biometric system could not be activated due to health reasons posed by COVID19.</p> <p><b>18.1. Questions:</b> Can the executive Mayor provide the committee with the current status of the system?</p>	<p>18.1. Current status of Biometric system is that it's still not utilised due to the fact that when renovations were conducted some biometric device were uninstalled to ensure the renovations continues. The devices will be reinstalled after renovations are done. Then the system can be utilised after testing.</p>	<p><b>Can the Executive Mayor provide the committee with the time frame?</b></p> <p>01 December 2023.</p>	
<p><b>Finance Services</b></p>			
<p><b>19. Observation:</b> DBT009 the committee observed low indigent registration of 467 against target of 600</p> <p><b>19.1. Questions:</b> Can the executive Mayor provide the committee with the current status of the road shows as the action plan captured to improve registration?</p>	<p>19.1. The number of new registrations in implementation of the planned roadshow amounted to 2227. The capturing of the registered indigents is still in progress pending adjudication. The first batch has already being adjudicated pending configuration from Eskom.</p>		
<p><b>Municipal Manager Office</b></p>			

Question	Response to the Executive Mayor	Follow-up Question & Respond	MPAC Comments and Recommendations
<p>20. Observation: LED017 the committee observed under action plan that the youth strategy will be approved in 4<sup>th</sup> Quarter.</p> <p>20.1. Questions: Can the executive Mayor provide the committee with the current status of the youth strategy?</p>	<p>20.1. The Youth strategy was reviewed during the financial year 2022/ 23 and the consultation process was undertaken with youth structures and in different platforms, major inputs were done which necessitated further consideration. The process overlapped to the current financial year. This lengthy fundamental process impeded the submission of the Youth Strategy to Council for adoption, however, the process will meet its end at the end of this quarter then the Youth Strategy will be submitted to Council for approval.</p>	<p><b>Can the Executive Mayor confirm to the committee that nothing has happened in respect of reviewing and approval of the strategy for 2021/2022 financial year?</b></p> <p>The consultation process which was undertaken is a process leading to the review of the youth strategy, inputs and comments are made to the draft youth strategy leading to the finalisation of the review process.</p> <p>The Executive Mayor therefore confirms that the review process was conducted in the 2021/ 2022 financial year, but overlapped into the 2022/ 2023 financial year.</p> <p>Pursuant to the approval of the Youth Strategy, we can confirm that is was not approved by Council in the 2021/ 2022 financial year.</p>	

THANK YOU

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**CLR LIM TSHABANGU**  
**MPAC CHAIRPERSON**

**ANNEXURE D**

**REPRESENTATIONS**



AUDITOR-GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## THEMBISILE HANI LOCAL MUNICIPALITY

### MPAC briefing document for 2021-22 financial audit

22 February 2023

## Introduction

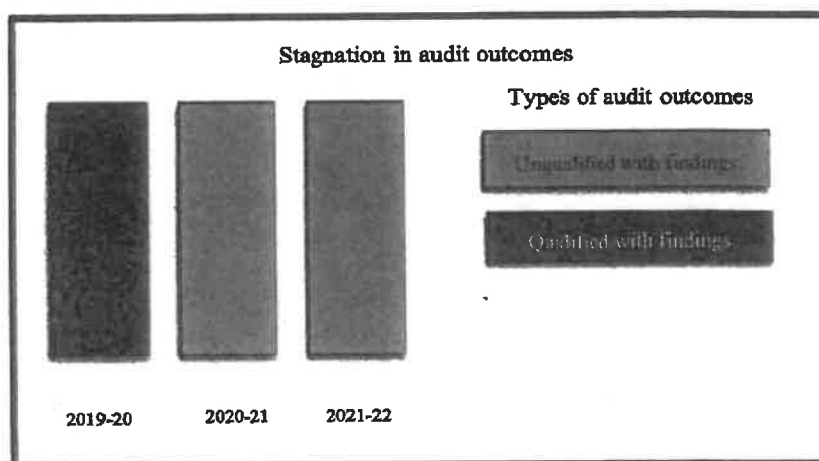
### Reputation promise of the Auditor-General of South Africa

The Auditor-General of South Africa has a constitutional mandate and, as the supreme audit institution of South Africa, exists to strengthen our country's democracy by enabling oversight, accountability and governance in the public sector through auditing, thereby building public confidence.

### Purpose

The purpose of this document is to outline the audit outcomes and root causes that emanate from the 2021/22 financial year audit.

### Audit outcomes



### Movement in the overall audit outcomes

The municipality improved from a qualified with findings audit outcome in 2019-20 to an unqualified with findings audit outcome in 2020-21 and maintained the audit outcome in 2021-22. Although the financial statements are unqualified, material misstatements which were subsequently corrected were identified only during the audit process and material findings on performance information and compliance with legislation were identified and reported in the audit report.

### Audit of the annual financial statements

Although the financial statements are unqualified, it remains a concern that material misstatements were identified on the financial statements submitted for audit which is non-compliance with section 122 of the MFMA. Material misstatements on the following financial statement items were identified only during the audit process and were not prevented by the municipality's system of internal controls:

- Property, plant and equipment (Incorrect classification)
- Other income (Incorrect classification)
- VAT receivable/(payable) (Incorrect classification)
- Agency fees (Incorrect classification)
- Contingent assets (None disclosure)
- Segment reporting (Inaccurate disclosure)
- Irregular expenditure (Inaccurate disclosure)



Management should strengthen the review processes of the annual financial statements to ensure that they are aware of all GRAP updates and disclosure requirements.

#### Audit of the annual performance report

The material findings identified on the annual performance report were due to planned indicators and targets not being useful i.e. measurable and verifiable. The source information for measuring the planned indicators was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting against the pre-determined indicator definitions. As a result, we could not audit reliability the reported achievements for the following indicators:

Key performance indicator	Planned target	Reported achievement
Number of household provided with water	91 007	64 267
Number of HH provided with 6kl free basic water	91 007	64 267

Management should also ensure the targets included in the SDBIP useful i.e. measurable and verifiable in line with the performance reporting framework. We recommend management benchmark with other municipalities that are water service providers in how they craft the water provision indicators are targets going forward and ensure these are measurable and verifiable.

#### Audit of compliance with legislation

There is a slight regression on compliance with laws and regulations as the number of material compliance findings reported in the audit report increased from 4 findings in 2020-21 to 5 findings in 2021-22. In addition, some of the findings are recurring which indicates compliance is not adequately monitored. Material findings were identified in respect of the following subject matters:

Compliance subject matter	Number of material findings	
	2021-22	2020-21
Annual financial statements (122(1) of the MFMA) <input type="checkbox"/> AFS submitted not free from material misstatements.		
Strategic planning and performance management (MPPM regulation 7(1)) <input type="checkbox"/> Performance management system and related controls were inadequate.		
Expenditure management		
Revenue management (64(2)(c) of the MFMA) <input type="checkbox"/> Accounts for municipal tax and service charges were not prepared on at least a monthly basis.		
Human resource management (67(1)(d) of the MSA) <input type="checkbox"/> Appropriate systems and procedures to monitor, measure and evaluate performance of staff were not developed and adopted.		
Procurement and contract management (2017 PPR 8(2)) <input type="checkbox"/> The invitation to tender for procurement of commodities designated for local content and production, did not stipulated the minimum threshold for local production.		
<b>Total</b>		

#### Root causes



The key root causes that need to be addressed to further improve the audit outcome are inadequate implementation of the audit action plan, lack of appropriate competencies by officials and inadequate oversight over financial and performance reporting.

#### Unauthorised, Irregular, Fruitless and wasteful expenditure

Item	Irregular expenditure	Fruitless & wasteful expenditure	Unauthorised expenditure
Opening balance	R87 million	R11,5 million	NIL
Add: Incurred during the current year	R72 million	R8 million	NIL
Less: Amount written off	(R280 million)	(R69 million)	NIL
Closing balance	R135 million	R50 million	NIL

The above table shows the municipality has not been able to prevent irregular and fruitless and wasteful expenditure. The irregular expenditure has continued to increase despite council having written off some of the expenditure.

However, majority of the irregular expenditure relates to non-compliance identified in the previous years on multi-year contracts which were still active in the current year. The irregular expenditure identified on awards made in the current year amounted to R535k.

The irregular expenditure incurred in the current year relates to specifications that did not specify the minimum threshold for local production content for the procurement of uniform.

The balances have also not been adequately dealt with including ensuring that consequences are implemented as a deterrent against non-compliance with laws and regulations.

#### Human resource management and use of consultants

Although progress has been made with regards to management of vacancies, the technical services department which is one of the key units responsible for service delivery had a concerning vacancy rate of more than 10% as indicated above. This may result to delays and internal control deficiencies on implementation of the key infrastructure projects and ultimately affect the ability of the municipality to deliver on its service delivery mandate.

As a result of inadequate skills and competencies, the municipality still relied on consultants for the preparation of the financial statements as well as for the compilation and submission of VAT returns. In respect of the VAT consultants, they were not remunerated on a time and cost basis and the SLA did not include a requirement for the transfer of skills. The contract was based on a percentage basis which is considered not to be a fair and reasonable remuneration framework as per regulation 5(5)(a) on cost containment measures. We also noted the municipality has advertised the post to build internal capacity with regards to this function.

In addition, with regards for the AFS consultants, we observed there is no tangible transfer of skills to the officials of the municipality. This is because the contract had to be extended for a further 12 months after the



initial 36 month duration. The requirement for the transfer of skills was not included when the contract was extended for a further 12 months in February 2022.

The delay in building internal capacity may result to an uneconomical use of the municipality's resources, as the result of paying more for the consultants than it would have if internal capacity was built. Furthermore, despite using consultants for the preparation of the financial statements, the financial statements submitted for audit were not free from material misstatements. Some of the material misstatements related to the consultant's area of responsibility i.e. incorrect classification of work in progress, agency fees and VAT refunds.

Furthermore, appropriate systems and procedures to monitor, measure and evaluate performance of staff in terms of section 67(1)(d) of the MSA were not developed by council.

#### Financial health and maintenance of assets

Although the municipality has instituted the revenue enhancement strategy, council did not ensure that consumers are lobbied to pay for services provided by the municipality to guarantee future service delivery to communities. In addition, the municipality did not ensure monthly statements were prepared and distributed on at least a monthly basis, as required by section 64(2)(c) of the MFMA, as part of its interventions to collect revenue billed. As a result, the provision for doubtful debt was sitting at 98% and the debt collection period at 103 days. Below is a summary of the receivables per category.

Category	Year 2021	Movement	Year 2022	Portion
Government	R85 271 450,00	R99 450 006,71	R184 721 456,71	11%
Commercial	R16 299 006,00	R60 998 933,30	R77 297 939,30	5%
Households	R1 321 672 411,00	R54 086 156,43	R1 375 758 567,43	84%
Total	R1 423 242 867,00	R214 535 096,44	R1 637 777 963,44	100%

The above indicates at least 16% (R262 million) of the balance relates to government and commercial business who should be in a position to pay for services received. Therefore, we urge management to pay strengthen their debt collection efforts in respect of these categories of debtors.

The municipality budgeted to spend R28, 9 million on the maintenance of assets and actually spent R24, 7 million during the current year. This constitutes 2% of the maintenance budget and 1% of the actual spending in relation to the net carrying amount of infrastructure assets stated at R1, 4 billion. Both the budgeted and actual spending is below the 8% norm for repairs and maintenance. The failure to collect revenue billed results to budget constraints and inadequate budgeting for maintenance of key service delivery infrastructure.

We also identified a lot of potholes on the roads during our asset verification, we noticed that parks are not being maintained which can be attributed to the fact that the municipality does not indicators for repairs and maintenance of roads and parks.

The impact of inadequate spending in repairs and maintenance is the continued deterioration of assets used to deliver services as evidenced by the impairment loss of R3 million on infrastructure assets disclosed in the financial statements. The inadequate spending on repairs and maintenance also contributes to material water losses amounting to R24, 2 million as disclosed in the financial statements.

#### Project management



The audit of key projects covered the project life cycle on the Construction of Moloto water infrastructure project. The project completion was delayed by more than 7 months from the original completion date of 4 March 2022. The municipality only applied for the wayleave on 20 July 2022 despite construction starting 5 March 2021 and despite being required to apply for a wayleave where their services will pass the servitude which belong to another party, during planning before appointing the contractor. During the auditors' site visit on 29 September 2022 the project was still under construction. The municipality paid an additional R1 million in P&Gs as a result of the extension of time despite approving the extension of time without cost. The delay in finalisation of the project has resulted to a delay in service delivery to the community.

#### Basic service delivery

Target for the provision of water was not achieved as the municipality planned to provide 91 007 households with water but they were only able to provide water to 64 267 as reported in the annual performance report resulting to 26 740 households not provided with water.

There is also slow progress in implementation of some of the key service delivery infrastructure projects. These projects relate to provision of water and roads infrastructure as disclosed in 3 to the financial statements. The delay in implementation of these projects is due to budget constraints.

We identified thirty eight (38) material indicators on the basic service delivery development priority and 18% of the indicators were not achieved, we noted that the indicators not achieved related to the provision of water, construction of bus route, upgrading of water infrastructure and upgrading of the landfill site.

#### Effectiveness of the oversight mechanism

The internal unit fully executed its plan for 2021-22 and made recommendations to management for improvement of the internal control deficiencies where necessary. The audit committee met as often as required by its charter and through internal audit reports and audit and risk committee meetings, made recommendations to management for improvement of the internal control deficiencies where necessary.

#### Material irregularities

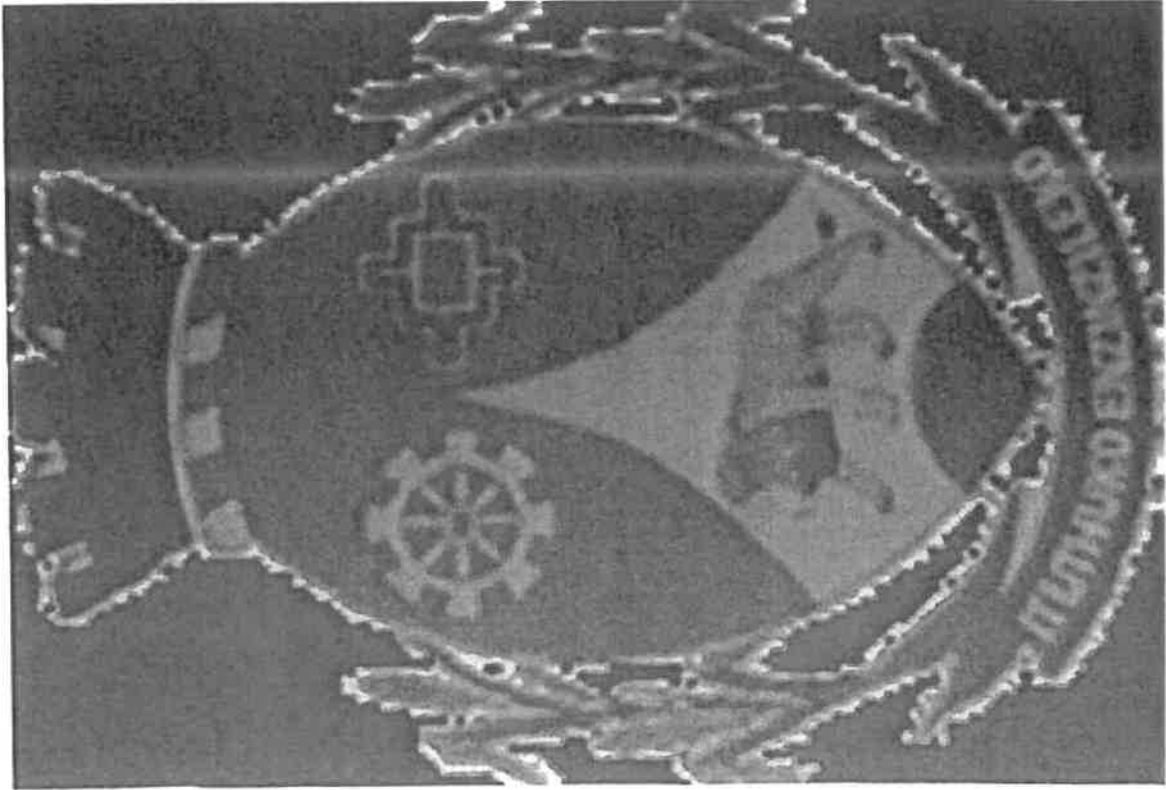
The accounting officer was not notified of any material irregularities during the audit however the assessment of audit findings will continue post the audit report sign off to determine if any of the matters reported meet the definition of material irregularities. This is a continuous assessment which is not confined to a specific audit cycle.

#### Recommendations

Management should ensure:

- Regular AFS preparation i.e. quarterly or half yearly and review process is enhanced to avoid recurring audit issues
- The irregular expenditure and fruitless and wasteful expenditure balances are dealt with and cleared from the books of the municipality in line with prevailing legislation in this regard.
- Key units needs to be capacitated to ensure the efficient running of the municipality and the realisation of the municipality's service delivery objectives
- Enhancement of revenue collection strategies to secure financial viability of the municipality





# **THEMBISILE HANI LOCAL MUNICIPALITY**

## **RMAFACC COMMENTS ON ANNUAL REPORT AND AGSA AUDIT REPORT**

**PRESENTED BY MR TREVOR BOLTMAN, CHAIRPERSON OF RISK  
MANAGEMENT, ANTI-FRAUD AND ANTI-CORRUPTION COMMITTEE**

**DATE: 23 FEBRUARY 2023**

Comments on  
Annual Report

Comments on  
AGSA Audit Report

# COMMENDATIONS

MUNICIPALITY RETAINED AN "UNQUALIFIED  
AUDIT OPINION" ON THE ANNUAL FINANCIAL  
STATEMENTS



REDUCTION IN NUMBER OF AUDIT FINDINGS



IMPROVED SYSTEM OF INTERNAL CONTROL



REDUCTION IN CURRENT YEAR IRREGULAR  
EXPENDITURE



## **TOP 5 RISKS**

- **INADEQUATE REVENUE COLLECTION**
- **INADEQUATE FLEET MANAGEMENT**
- **LAND INVASION AND ENCROACHMENT**
- **POOR MAINTENANCE OF ROAD INFRASTRUCTURE**
- **INADEQUATE PROVISION OF WATER AND SANITATION SERVICES**

## **EMERGING RISKS**

- **THEFT AND VANDALISM  
OF MUNICIPAL ASSETS  
RESULTING IN  
INCREASED INSURANCE  
COSTS AND OTHER  
COSTS AND DELAYS IN  
SERVICE DELIVERY**

# ANNUAL REPORT

## RISK MITIGATING MEASURES

- ALL EMPLOYEES TO BE PROVIDED WITH UNDERSTANDING OF THEIR ROLE REGARDING RISK MANAGEMENT
- IMPLEMENTING RISK MITIGATING MEASURES
- REGULARLY MEASURE EFFECTIVENESS OF THE RISK MITIGATING MEASURES THAT WERE IMPLEMENTED
- REVISE RISK MITIGATING MEASURES NOT EFFECTIVE OR NOT POSSIBLE TO IMPLEMENT

IMPROVEMENT IN AUDIT OUTCOMES  
POINTS TO IMPROVEMENT IN CONTROL  
ENVIRONMENT AND IMPROVEMENT IN  
LEVEL OF IMPLEMENTATION OF RISK  
MITIGATION MEASURES

HOWEVER, STILL ROOM FOR  
IMPROVEMENT IN PREPARING ANNUAL  
FINANCIAL STATEMENTS AND ANNUAL  
PERFORMANCE REPORT THAT ARE FREE  
FROM MATERIAL MISSTATEMENTS TO  
GET TO CLEAN ADMINISTRATION



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**CONSULTANTS AND MANAGEMENT TO DEVELOP AND  
IMPLEMENT SKILLS TRANSFER PLAN FOR TRANSFERRING  
OF SKILLS TO MUNICIPAL FINANCE OFFICIALS**

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**REGULAR REPORTS ON IMPLEMENTATION OF SKILLS  
TRANSFER PLAN**

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**MONTHLY RECONCILIATIONS OF DEBTORS, CREDITORS,  
INVENTORY AND BANK**

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**SPEED UP PROCESS OF IMPLEMENTATION OF ASSET  
MANAGEMENT MODULE ON FINANCIAL MANAGEMENT  
SYSTEM**



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**INTERIM FINANCIAL STATEMENTS TO  
BE PREPARED AND REVIEWED TO  
ENSURE THAT ANNUAL FINANCIAL  
STATEMENTS ARE FREE FROM  
MATERIAL ERRORS**

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**ANNUAL FINANCIAL STATEMENTS BE  
PREPARED EARLY ENOUGH TO ALLOW  
REVIEWERS INCLUDING INTERNAL  
AUDIT AND AUDIT COMMITTEE  
SUFFICIENT TIME TO REVIEW IT**

ENSURE ALL STAFF RESPONSIBLE  
FOR PROCUREMENT  
UNDERSTAND PROCUREMENT  
PROCESSES

DEVELOPMENT AND  
IMPLEMENTATION OF  
PROCEDURE MANUALS AND  
CHECKLISTS

REVIEWS BEFORE  
APPROVAL OF  
PROCUREMENT

BID COMMITTEE  
MEMBERS TRAINED

**AUDIT REPORT – FINDINGS  
INFORMATION**

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**ENSURE KEY PERFORMANCE INDICATORS COMPLY  
WITH “SMART” PRINCIPLE (SPECIFIC, MEASURABLE,  
ACTIONABLE, REALISTIC, TIMELY)**

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**ENSURE THAT ALL REPORTED PERFORMANCE IS  
SUPPORTED WITH VERIFIABLE PORTFOLIO OF  
EVIDENCE**

## **IMPROVEMENT PLAN**

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**MANAGEMENT DEVELOP AND IMPLEMENT  
ACTION PLAN TO ADDRESS ROOT CAUSES TO  
IMPROVE THE CONTROL ENVIRONMENT**

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**THE PROGRESS AND EFFECTIVENESS OF THE  
ABOVE ACTION PLAN SHOULD BE MONITORED  
ON A REGULAR BASIS BY SENIOR MANAGEMENT,  
ADVISORY AND OVERSIGHT BODIES**

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**INVESTMENT IN ICT INFRASTRUCTURE**

**IMPROVEMENT  
PLAN**

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**RISK MANAGEMENT BE EMBEDDED  
IN THE DAY-TO-DAY OPERATIONS OF  
THE MUNICIPALITY AND IN ALL  
EMPLOYEES' PERFORMANCE  
AGREEMENTS**

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**RISK ASSESSMENTS CONDUCTED  
DURING PLANNING PROCESS TO  
ENSURE THAT RISK MITIGATING  
ACTIONS ARE CONSIDERED DURING  
THE BUDGET PROCESS AND FUNDED**



**THANK YOU**



**ANNEXURE E**  
**MPAC OVERSIGHT PROCESS PLAN ON THE**  
**DRAFT ANNUAL REPORT 2021/2022**



# MPAC OVERSIGHT PROCESS PLAN ON THE THLM ANNUAL REPORT 2021/2022

ACTIVITY	TO ATTEND/SUPPORT	DATE
<p><b>MPAC PROBING OF THE ANNUAL REPORT AND DEVELOPMENT OF A QUESTIONNAIRE</b></p> <p><b>Day 1:</b></p> <ul style="list-style-type: none"> <li>CHAPTER 1 – MAYOR'S FOREWORD AND EXECUTIVE SUMMARY and Development of Questions</li> <li>CHAPTER 2 – GOVERNANCE and Development of Questions</li> <li>CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS and Development of Questions</li> </ul>	<p>MPAC, Chief Risk Officer, Chief Internal Auditor and Assistant Manager PMS, Auditor General South Africa</p>	<p>Wednesday, 22 February 2023</p>
<p><b>Day 2:</b></p> <ul style="list-style-type: none"> <li>CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I) and Development of Questions</li> <li>CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE and Development of Questions</li> </ul>	<p>MPAC, Chief Risk Officer, Chief Internal Auditor, Assistant Manager PMS, Audit Committee Chair, Risk Management Committee Chair</p>	<p>Thursday, 23 February 2023</p>
<p><b>Day 3:</b></p> <p>CHAPTER 5 – FINANCIAL PERFORMANCE and Development of Questions</p> <p>AUDIT ACTION PLAN and Development of Questions</p> <p>CONSIDERATION OF AUDIT COMMITTEE COMMENTS, PUBLIC COMMENTS, COUNCIL COMMENTS ON THE ANNUAL REPORT.</p> <p>ADOPTION OF THE QUESTIONNAIRE</p>	<p>MPAC, Chief Risk Officer, Chief Internal Auditor, Assistant Manager PMS.</p>	<p>Friday, 24 February 2023</p>



## MPAC OVERSIGHT PROCESS PLAN ON THE THLM ANNUAL REPORT 2021/2022

ACTIVITY	TO ATTEND/SUPPORT	DATE
2. SUBMISSION OF THE QUESTIONNAIRE TO THE OFFICE OF THE EXECUTIVE MAYOR	None	28 February 2023
3. SUBMISSION OF THE RESPONSES BY EXECUTIVE MAYOR TO MPAC OFFICE	None	7 March 2023
4. MPAC SPECIAL MEETING – DISCUSSION OF RESPONSES FROM THE EXECUTIVE MAYOR	MPAC	9 March 2023
5. SPECIAL MPAC MEETING – HEARING WITH THE EXECUTIVE MAYOR	MPAC, Executive Mayor, Chairpersons of Section 79 Committees, Nkangala District Municipality MPAC Chairperson, Auditor General, Audit Committee Chairperson, Risk Management Committee Chairperson, Ward Committees, NT, PT, SALGA, SCOPA Chairperson, Traditional Leaders, IMATU, SAMWU	16 March 2023
6. MPAC Special Meeting – Consolidation, adoption and submission of the oversight report to the office of the speaker for tabling to council.	MPAC	22 March 2023
7. Oversight Report is tabled to council	Council	30 March 2023

  
 Cllr. LM Tshabangu  
 (MPAC Chairperson)