

28 MARCH 2024

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OVERSIGHT REPORT ON ANNUAL REPORT 2022/23

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MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

GREATER GIYANI MUNICIPALITY



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**ABBREVIATIONS**

|   |         |   |
|---|---------|---|
| - | AFS     | Annual Financial Statements                                   |
| - | AGSA    | Auditor General of South Africa                               |
| - | APR     | Annual Performance Report                                     |
| - | AR      | Annual Report   |
| - | BTO     | Budget and Treasury Office                                    |
| - | COGHSTA | Cooperate Governance Human Settlement and Traditional Affairs |
| - | CLLR    | Councillor  |
| - | EXCO    | Executive Committee   |
| - | GGM     | Greater Giyani Municipality                                   |
| - | IDP     | Integrated Development Plan                                   |
| - | INEG    | Integrated National Electrification Grant                     |
| - | MFMA    | Municipal Finance Management Act                              |
| - | MIG     | Municipal Infrastructure Grant                                |
| - | MPAC    | Municipal Public Accounts Committee                           |
| - | MSA     | Municipal Systems Act   |
| - | MSA     | Municipal Structures Act                                      |
| - | OR      | Oversight Report  |
| - | PMS     | Performance Management System                                 |
| - | SDBIP   | Service Delivery Budget and Implementation Plan               |
| - | UIFWE   | Unauthorised, Irregular, Fruitless and Wasteful Expenditure   |

## 1. FOREWORD BY THE MPAC CHAIRPERSON

It gives me great pleasure on behalf of the Greater Giyani Municipal Public Accounts Committee (MPAC), to present the 2022/23 Oversight Report on Annual Report. This is the third submission of the Oversight Report for MPAC 2021 to 2026 political term of Council. In carrying out its oversight responsibility the MPAC has:

- ✓ Reviewed and analysed the Annual Report for the 2022/23
- ✓ Invited, received, and considered inputs on the Annual Report
- ✓ Considered any written comments (none were received)
- ✓ Received and considered Council's Audit Committee views and comments on the Annual Financial Statements and the Annual Performance Report
- ✓ Conducted public hearing chaired by Council Speaker Councillor Mboweni A.E where the Mayor Councillor Zitha T through the Municipal Manager Mr. Khoza V. D was required to respond on MPAC observations and questions as reported in the Annual Report
- ✓ Prepared the Oversight Report, taking into consideration, the views, and inputs of the representatives of the Auditor General, Provincial Treasury, COGHSTA, Council's Audit Committee and Councillors.

During 2021/22 the municipality obtained unqualified audit opinion and during the year under review the municipality obtained / sustained the unqualified audit opinion. As MPAC we are saying though the audit outcome did not change, we encourage management to work towards clean audit opinion.

This report would not have been complete without the support and inputs of different stakeholders. Let me therefore take this opportunity to express my gratitude to the community of Greater Giyani Municipality, members of MPAC, your hard work and commitment has not gone unnoticed.

Let me acknowledge the unconditional support received from the Office of the Auditor General South Africa, Audit Committee (Internal Audit and Risk Management Unit), the Office of the Municipal Manager,

the Office of the Speaker, the Office of the Mayor, the Office of the Chief Whip, and all other Councillors. Lastly, let me thank the support staff of the MPAC office, the Researcher, for the genuine work.

I present the Oversight Report in which MPAC recommends for adoption of the 2022/23 Annual Report with the recommendations as recorded in this document.

## 2. INTRODUCTION

**Section 121 (1)(2) and (3) of the MFMA determines as follows:**

Every municipality must for each financial year prepare an Annual Report. The council must within nine months after the end of a financial year deal with the annual report of a municipality in accordance with section 129.

The purpose of an annual report is:

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

According to section 129(1) of the MFMA, the Council must consider the annual report by no later than two months from the date on which the annual report was tabled, adopt an oversight report containing the Council's comments on the annual report which must include a statement whether-

- The Council has approved the annual report with or without reservations.
- Has rejected the annual report or.
- Has referred the annual report back for revision of those components that can be revised.

## 3. BACKGROUND

**Resolutions and statement required by MFMA section 129 (1)**

To consider the Greater Giyani Municipality's Annual report for the 2022/23 financial year and to adopt and Oversight Report containing Council's comments on the Annual report in terms of section 129 of Local Government: Municipal Finance Management Act, 2003 (Act NO 56 of 2003) (hereafter indicated as MFMA).

#### 4. FUNCTIONS OF MPAC

MPAC is established in terms of section 79A of the Municipal Structures Act 117 of 1998 to perform the following functions:

- (a) review the Auditor-General's reports and comments of the management committee and the audit committee and make recommendations to the municipal council.
- (b) review internal audit reports together with comments from the management committee and the audit committee and make recommendations to the municipal council;
- (c) initiate and develop the oversight report on annual reports contemplated in section 129 of the Local Government: Municipal Finance Management Act;
- (d) attend to and make recommendations to the municipal council on any matter referred to it by the municipal council, executive committee, a committee of the council, a member of this committee, a councillor and the municipal manager; and
- (e) on its own initiative, subject to the direction of the municipal council, investigate and report to the municipal council on any matter affecting the municipality."

MPAC is tasked with the review of the annual report and all inputs received in responses to the advertising process and the preparation of an Oversight Report for consideration by the Council.

#### 5. COMPOSITION OF THE OVERSIGHT COMMITTEE

Council on the 22<sup>nd</sup> of November 2021, established the Municipal Public Accounts Committee (MPAC) through council resolution CR26-22/11/21SP and CR27-22/11/21, which is constituted as follows proportionally representing political parties:

- a) Cllr Makondo R. E – MPAC Chairperson
- b) Cllr Mabunda R.C – MPAC Member
- c) Cllr Maluleke M.R – MPAC Member
- d) Cllr Maswanganyi N.N – MPAC Member
- e) Cllr Mahasha E. – MPAC Member
- f) Cllr Sambo S – MPAC Member
- g) Cllr Mhangwane S.M – MPAC Member

## 6. REVIEW OF THE ANNUAL REPORT

### 6.1 SUBMISSION AND TABLING OF THE DRAFT ANNUAL REPORT

- 6.1.1 The Draft Annual Report of the Greater Giyani Municipality for the 2022/23 financial year was tabled at a Scheduled Council meeting, on 30 January 2024, in terms of section 127(2) of the Local Government: Municipal Finance Management Act 56 of 2003.
- 6.1.2 Council resolved (through CR143-30/01/2024) at its meeting held on 30 January 2024 on the following:
- 6.1.3 That the tabling of the Draft Annual Report be adopted; and
- 6.1.4 That the Municipal Manager in terms of section 127 (5) of the MFMA:
- Make public the Draft Annual Report for 2022/23 financial year;
  - Invites the local community and to submit representations in connection with the Annual Report on or before 19 March 2024;
  - Submit the Draft Annual Report to the Auditor-General, the Provincial Treasury and the Provincial Department responsible for Local Government;
  - That the Draft Annual Report be referred to MPAC for oversight (CR143-30/01/2024).

### 6.2 CIRCULATION OF THE DRAFT ANNUAL REPORT

- 6.2.1 The Draft Annual Report was advertised in line of Section 21A of the Municipal System Act of 32 of 2000 as follows:

- The local community was invited via the Sowetan and website of the Greater Giyani Municipality to submit comments / objectives in connection with the Report on or before 19 March 2024.
  - The Annual Report was placed on the municipal website at [www.greatergiyani.gov.za](http://www.greatergiyani.gov.za) and libraries.
  - The Annual Report was submitted to all relevant government departments.
- 6.2.2 At the closing date for public comments on the 19 March 2024, comment(s) were received.

### 6.3 CONSULTATION BY MPAC



- 6.3.1 Meeting Schedule
- a) MPAC had a working session on the Annual report from 26 February to 01 March 2024.
  - b) MPAC had a meeting with Audit Committee, Risk Management, Provincial Treasury, Auditor General of South Africa and COGHSTA (Annexure D – attendance register).
  - c) MPAC prepared questions and submitted to the Mayor/Management for responses (Annexure A).
  - d) The Mayor/Management responded to MPAC questions (Annexure B)

6.3.2 The National Treasury's MFMA Circular No 32 further provides for certain provisions regarding the compilation of the Oversight Report. These provisions cover the following areas:

- Managing the process and forming committees
- Timing considerations
- Understanding the Annual Report and determining conclusions

6.3.3 The table below outlines meeting schedules of the MPAC when considering the Draft Annual report:

| DATE                             | TIME  | VENUE                      | RESPONSIBILITY   |
|----------------------------------|-------|----------------------------|--|
| 30 January 2024                  | 10h00 | Mopani Legislative Chamber | Council tabling the annual (Audited) Performance Report, Audited Financial Statements, GGM Audit Report and Audit Action Plan) of the Draft Annual report and referred to MPAC |
| 18 February 2024                 | 10h00 | Virtual meeting            | Preparation of annual report working session   |
| 26 February 2024 to 1 March 2024 | 09h00 | Protea Hotel The Ranch     | Meeting with Auditor General – to unpack the audit report and to guide the committee on the  |

|   |   |                         |  |
|---|---|-------------------------|--|
| oversight role and assist in drafting questions. Presentation by GGM Risk Committee and Audit Committee chairpersons on the roles pertaining annual report and good governance. |   |                         |  |
| Finalising and adoption of MPAC questions   | Submitted MPAC questions to the Mayor/Management for responses. |                         |  |
| 06 March 2024   | 10h00   | Virtual meeting         |  |
| 07 March 2024   | 8h00  | GGM MPAC                | Submitted MPAC questions to the Mayor's office/ Municipal Manager's office |
| 13 March 2024   | 08h30   | GGM wards               | MPAC oversight Project visits  |
| 18 March 2024   | 10H00   | Virtual meeting         | Preparation of MPAC hearing  |
| 19 March 2024   | 10h00   | Giyani Community Hall   | MPAC Public hearing on annual report 2022/23                               |
| 25 March 2024   | 10h00   | GGM Boardroom           | Drafting and adoption of oversight report 2021/22                          |
| 28 March 2024   | 10h00   | GGM New Chamber Council | Approval of oversight report by Council                                    |

## 6.4 PUBLIC HEARING

The public notice of the public hearing was advertised in Sowetan (Annexure D) and distributed around the jurisdiction of Greater Giyani Municipality. The public hearing on the 2022/23 Draft Annual report was held on the 19 March 2024 where the public were invited to attend as

observers, where the Mayor through the Accounting Officer had to respond and clarify the committee on issues raised and questions pertaining to the draft annual report. The Office of the Auditor General, COGHSTA, Provincial Treasury, SALGA, Mopani district Municipality and its locals, and all the stakeholders were invited to attend the Public Hearing (Section 130 of the MFMA).

## 6.5 MPAC PROJECT VISITS

6.5.1 MPAC conducted project visit on the 13 March 2024 to verify and confirm the completeness, the visit also measured the projects impact to the community, and all findings/observations on project visit are documented on Annexure D. The committee visited the following projects:

a) Shimange internal paving of streets

The project is complete with the following challenges , road signs are not tightly installed hence some have fallen down. The technical department should visit the project and ensure that the challenges identified are attended to.

b) Silawa Internal paving

the project is complete with the following challenges , vandalism of infrastructure i.e road signs , stop signs were removed some fallen. The technical department should visit the project and ensure that the challenges identified are attended to.

c) Ndhambhi Taxi Rank

The project is complete , handed over and it is now in use. The committee has identified the following challenges , the main gate is loose and needs to be fixed, door locks are loose and some are broken. It is in good condition. The committee observed that the is no provision of resources for cleaning the taxi rank, they only rely on the two rand they charge for using the toilets. The taxi rank is cleaned by the volunteers and the security guard is an EPWP worker. The security guard does not have a uniform to work with.

d) Electrification of Maphata Village

The project is complete , energized and handed over to Eskom for maintenance. The mushrooming of the new stands causes illegal connections. Empty stands within the design will be covered through post connection from Eskom.

e) Installation of streetlights ( next to Gaza beef/ pound station / Giyani College of Technology)

Project is complete with the following challenges streetlights are functional but some are not working because of the shortage of the cables. (around 26 streetlights are without cables) . Some of the street lights has been knocked off . Technical department should visit the project and ensure that the above challenges identified by the committee are attended to.

f) Electrification of Giyani Church View

The project is complete and handed over to Eskom for maintenance.

g) Installation of Energy Saving Highmast in Giyani Section E

The highmast is energized and functional.

h) Installation of traffic lights in Section A (Shimati Garage and Giyani Golf course)

The traffic lights is functional with the following challenges, whenever there is loadshedding we experience traffic signal blackout (loss of memory loadshedding). Technical department to visit the project and to attend to the challenges which the committee identified.

## 7. ANNUAL REPORT CHECKLIST

| INFORMATION REQUIRED TO BE INCLUDED IN ANNUAL REPORTS  | COMMENTS   |
|--|--|
| <p>1. Financial matters – Annual Financial Statements – section 121 (3) MFMA</p>   |  |
| <p>Section 121 (3) (a) MFMA<br/>                     (a) The Annual financial statements (AFS) of the municipality, and in addition, if section 122(2) applies the consolidated annual financial statements as submitted to the Auditor General;</p> | <p>The Annual Financial Statements of the municipality are included and signed by the Municipal Manager, Mr Khoza V.D signed on the 31 August 2023<br/>                     (Annexure B on the Annual Report)<br/>                     The municipality does not have an entity.</p>                         |
| <p>(b) The Auditor General's audit report is included in the annual report in terms of section 126(3);</p>   | <p>The Auditor General's report is included in the annual report and signed by the Auditor General on the 30<sup>th</sup> November 2023.<br/>                     The municipality obtained unqualified audit opinion with management issues.<br/>                     (Annexure D on the Annual report)</p> |
| <p>(c) An assessment by the Accounting Officer on any arrears on municipal taxes and service charges; (section 121 (3)(e) )</p>  | <p>There has been strict adherence to the Credit Control and debt collection strategies have been implemented such as revenue enhancement in conjunction with the debt collector appointed to assist, the focus will be provided more to debt collection.</p>  |
| <p>(d) Particulars of any corrective action taken or to be taken in responses to issues raised in the audit reports referred to in paragraphs (b) and (d)</p>  | <p>Audit Action plan has been developed to address issues raised in the audit report. (Annexure C Action plan - on the annual report)<br/>                     The Audit Report was submitted to COGHSTA (30 January 2024, Auditor General and Provincial Treasury on the 30 January 2024.</p>               |

| COMMENTS   | INFORMATION REQUIRED TO BE INCLUDED IN ANNUAL REPORTS   |
|--|---|
|  | Council should also confirm that the audit report has been forwarded to the MEC.  |
| The municipality established the systems to maintain and account for assets and liabilities, and there were no significant issues which were raised during the audit. The municipality has a system called Enterprise Asset Management system which is MSCOA compliant which fully accounted for 2022/23 Annual Fixed Asset Register but at the same time using the spreadsheet, the system is active but not fully functional. However, the municipality is yet to automate management of assets. | (e) An assessment on asset management, as required by section 63(2)(a) of the MFMA  |
| Management did not provide adequate supervision and review over the operations of the municipality to ensure compliance with laws and regulations and to appoint the necessary skilled staff.  | (f) Audit report on leadership.   |
| Audit Committee made recommendations to the municipality, however not all recommendations were implemented by the end of the financial year.   | (g) Section 121 (3) (j) and 121 (4)(g)<br>Recommendations of the audit committee in relation to the AFS and audit reports of the municipality |
|  | 2. Disclosures – Allocations received and made – Section 123 -125 MFMA  |
| It should be noted that the municipality's functionality depends largely on grants; (LGSETA, MSIG,   | (a) 123 (1) (a) Allocations received and made to the municipality.  |

| <p><b>INFORMATION REQUIRED TO BE INCLUDED IN ANNUAL REPORTS</b></p>                          | <p><b>COMMENTS</b></p>   |
|--|--|
| <p>(b) Information in relation to the use of allocations received;</p>                       | <p>The municipality spent 100% of the MIG and 100% in INEG to realise its objectives.</p>  |
| <p>(c) Information in relation to outstanding debtors and creditors of the municipality;</p> | <p>The municipality has an impairment of consumer debtors of R104 670 877 as a result of debt which is doubtful for recovery due to inadequate collecting systems.</p> <p>The municipality has developed a Revenue Enhancement Strategy to improve its revenue collection and revenue base with the aim of using such financial resources to sustain service delivery. The strategy aims to address the revenue challenges the municipality is currently facing.</p> <p>The municipality continue to implement the developed Revenue Enhancement Strategy and Credit Control and Debt Collection policy. The implementation of the revenue enhancement strategy has a positive outcome and that the overall collection rate for 2022/23 was 59%.</p> |
|  | <p><b>Unauthorised expenditure</b></p> <p>The municipality has incurred R118 879 105 due to asset impairment and depreciation.</p> <p><b>Fruitless and wasteful expenditure</b></p> <p>The municipality has incurred fruitless and wasteful expenditure of R290 239.00 due to, litigation loss,</p>  |

| COMMENTS   | INFORMATION REQUIRED TO BE INCLUDED IN ANNUAL REPORTS   |
|--|---|
| <p>late payment of suppliers and late payment of Eskom invoices.</p> <p><b>Irregular Expenditure</b></p> <p>The municipality has incurred irregular expenditure R14 363 302 caused by non-compliance with supply chain management regulations.</p> <p>The municipality does not have the system to be able to see whether a person is working in the service of the state or not. To ensure that awards to persons in the other state institution does not happen, the municipality will procure the acquisition of IT Systems to assist in detecting service providers employed by the state.</p> | <p><b>3. Disclosures in notes to AFS</b></p> <p>(a) Information relating to benefits paid by municipality and entity to Councillors, directors, and officials</p> |
| <p>It should be noted that the information has been properly disclosed and explanations provided are acceptable and conditions of allocations have been met and they are fully detailed on the AFS.</p>  | <p><b>4. Municipal Performance</b></p>  |
| <p>The municipality had a total number of 137 targets wherein 94 targets were reported as achieved, 54 as not achieved. The total achieved percentage is 69%.</p>  | <p>(a) Information on the annual performance reports of the municipality;</p>   |
| <p>The municipality got qualified audit opinion. The report is attached. (Annexure A on the annual report)</p>   | <p>(b) Audit reports on performance (section 45, MSA);</p>  |



| COMMENTS  | INFORMATION REQUIRED TO BE INCLUDED IN ANNUAL REPORTS  |
|---|--|
|   | <b>5. General information</b>  |
| The municipality has a five-year long-term contract on valuation of municipal roll.   | (a) Information on long term contracts   |
| The municipality is working hard to ensure that extra High mast lights are provided to communities where there is high crime rate in order to fight crime. Gravel roads were upgraded to tar and culvert bridges were also refurbished and community halls were also constructed. The municipality is in the process of maintaining the sports centres, community halls or to complete abandoned sports centres/facilities.   | (b) Capital plan for addressing infrastructure backlogs  |
| Information and Communication Technology ensure provision of services such as Network connectivity, information management, Email messaging for stakeholders and the outside world, enhancing service delivery by providing reliable systems.<br><br>For period under review 2022/23, Information and Communication Technology provided and supplied ICT equipment's e.g. computers, printers, 3Gs and Memory Sticks. The Unit also updated the municipal website on a continuous basis and maintained network infrastructure for | (c) Information Technology and systems purchases and the effectiveness of these systems in the delivery of services and ensuring compliance with statutory obligations |

| COMMENTS  | INFORMATION REQUIRED TO BE INCLUDED IN ANNUAL REPORTS                             |
|---|---|
| <p>ease of communication as well as virtual meetings through Microsoft Teams. The Unit provided IT support. The following controls are in place to manage ICT Assets i.e. asset allocation register, ICT loss equipment register, ICT asset removal forms, and ICT Assets transfer forms. The municipality does not have ICT Digital Transformation Strategy.</p> | <p><b>6. Other considerations recommended</b></p>                                 |
| <p>The annual report was tabled in council on the 30 January 2024 (CR143-30/01/24).</p>   | <p>(a) Timing of reports</p>  |
| <p>The Municipal Public Accounts Committee was delegated the responsibility of preparing the oversight report (CR62-30/01/23).</p>  | <p>(b) Oversight committee or other mechanism</p>                                 |
| <p>No performance bonuses paid to section 57 directors under year review.</p>   | <p>(b) Payment of performance bonuses to municipal officials (section 57 MSA)</p> |
| <p>Public hearing on the draft annual report was conducted on the 19 March 2024.</p>  | <p>(c) Public consultative meetings</p>   |
| <p>The Annual Report was placed for inspection at municipal website, libraries and copies were circulated to all Councillors.</p>   | <p>(d) Annual Report distribution points documented, and feedback documented</p>  |

**8. MPAC OBSERVATIONS**

- 8.1 For 2021/22 Greater Giyani Municipality obtained unqualified audit opinion on the audit of the financial statements and for 2022/23 the municipality obtained unqualified audit opinion for two consecutive years.
- 8.2 For 2022/23 Greater Giyani Municipality obtained qualified audit opinion on the audit of the annual performance report.
- 8.3 The committee observed that there are improvements with regard to the accuracy, quality and completeness of the information submitted in general to compile the Draft Annual Report as compared to the previous years .
- 8.4 The analysis for annual performance for the municipality reveals that the municipality had a total number of 137 targets wherein 94 targets were reported as achieved, 43 as not achieved. The total achieved percentage is 69%. The 69% performance achieved shows that the municipality's performance improved as compared to the 56% achieved of the previous year 2022/23.
- 8.4 Management developed the Audit action plan to address issues raised by the Auditor General.
- 8.5 The committee observed that there are many projects which the municipality did not complete, one such example is Giyani Section E Sport Centre.
- 8.6 The committee has observed that the high mast lights in the whole municipality are not fully functional and also that the streetlights in Giyani Township are not being maintained.
- 8.7 The traffic lights do not work when there is loadshedding.
- 8.8 The municipality does have a help line where community members / residence can report faulty streetlights, high mast lights and traffic lights.
- 8.9 The committee observed that on issues raised on imbizo, the accounting officer's responded that service delivery issues are beyond the municipality's competences.
- 8.10 That the municipality's annual financial statement is still outsourced, and that the municipality still relies on consultants for this function.
- 8.11 The committee observed the litigation register provided by the accounting officer, however the litigation register is incomplete which makes it difficult for the committee to analyse the report.
- 8.12 The municipality does not have the system to detect whether a person is working in the service of state or not, only relies on the information provided by suppliers on the MBD4 forms. The finding is recurring from the previous financial years.

- 8.13 The municipality depend on MIG, INEG, FMG, and EPWP grants. During the year under review the municipality's MIG expenditure was 100% and 100% INEG.
- 8.14 The committee observed that management has developed the emerging risk register.
- 8.15 The accounting officer did not provide the time frame on the appointment of law enforcers to mitigate the risk on loss of potential investors.
- 8.16 That awareness on municipality services was not conducted during the year under review.
- 8.17 The municipality developed the storm water master plan.
- 8.18 The municipality never conducted Occupational Health Safety drills.
- 8.19 MPAC has noted that performance assessment as well as performance bonuses were not paid to section 56/57 managers during the year under review.

## 9. MPAC RECOMMENDATIONS

- 9.1 That the available funds be channelled to incomplete projects.
- 9.2 The Accounting Officer should identify all the stalled projects and implement maintenance projects.
- 9.3 Ward Councillors should help playing the oversight role of reporting all the dilapidated projects.
- 9.4 For traffic lights the municipality should consider the use of solar panel as backups.
- 9.5 The municipality should establish a call centre wherein community members can call and log faults.
- 9.6 The accounting officer should provide the list of all local SME's that have applied for funding, the list should also indicate those that have been successful and unsuccessful.
- 9.7 Service delivery issues should be followed up and feedback should be provided to the community to avoid community protests/ strikes.
- 9.8 The accounting officer should ensure that there is skills transfer and that consultancy reduction plan is fully implemented.
- 9.10 Detailed litigation progress report be submitted to MPAC on or before 30 April 2024 which shows the litigation amounts.
- 9.11 That the Accounting Officer must report all the instances of UIFWES to Council quarterly and the UIFWES be referred to MPAC for investigation.

- 9.12 That management provide MPAC with the detailed signed UIFWE register for the 2021/22 and 2022/23 (except UIFWEs that has been written off by council) as well as provide supporting documents on or before 30 April 2024.
- 9.13 Management should provide MPAC with the progress report on the implementation of the emerging risk register.
- 9.14 The accounting officer should provide the time for the appointment of law enforcement to deal with illegal structures which lead to loss of potential investor risk.
- 9.15 That awareness on municipality services should be conducted.
- 9.16 The accounting officer should provide a progress report on the implementation of storm water master plan.
- 9.17 The accounting officer should ensure that Occupational Health Safety drills is conducted regularly.
- 9.18 Technical department / unit should conduct technical assessment on how the challenges identified by the MPAC committee on Silawa Paving of streets, Shimange internal paving and Giyani Section A Traffic lights.
- 9.19 The Accounting Officer should ensure that proper oversight is exercised on litigation matters.

## 10. CONCLUSION

The MPAC commends Council, the Municipal Manager, Senior Management, and all staff at Greater Giyani Municipality on the progress made towards good governance. However, there is great room for improvement regarding: improvement of key controls to ensure effective financial management, procurement and contract management, compliance. Improvement of internal controls to ensure that issues raised by both internal and external auditors are addressed effectively.

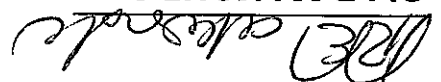
Having performed the following tasks:

- Reviewed and analysed the 2022/23 Draft Annual Report.
- Invited, received, and considered inputs from the management and council committees, on the Draft Annual Report.
- Received and considered Council's audit committee views and comments on the annual financial statements and the performance report and
- Prepared the Oversight Report, taking into consideration, the views, and inputs of the public representatives of the Auditor

General, organs of state, council's Audit Committee and  
Councillors

**COMMITTEE RECOMMENDS, Council to:**

- Approve the oversight report with recommendations.
- That the Annual Report 2022/23 be **adopted** without reservation.
- That the 2022/23 Oversight Report of the Greater Giyani Municipality be made public in terms of section 129(3) of the MFMA, and.
- That the Oversight Report and Annual Report 2022/23 be submitted to Provincial Legislature in terms of section 132(2) of the MFMA.

  
 CLLR MAKONDO R. E  
 MPAC CHAIRPERSON

28 March 2024  
 DATE