

**OVERSIGHT REPORT  
ON  
2019/20 ANNUAL REPORT**

**June 2021**



*VISION: "A developmental people driven organization that serves its people"*

*Mission: "To provide essential and sustainable services in an efficient and effective manner"*

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## 1. Acronyms and Definition of terms

<b>AG</b>	<b>Auditor General</b>
<b>COUNCIL</b>	<b>Council of Molemole Local Municipality as constituted</b>
<b>FY</b>	<b>Financial Year</b>
<b>LM</b>	<b>Local Municipality</b>
<b>IDP</b>	<b>Integrated Development Plan</b>
<b>LED</b>	<b>Local Economic Development</b>
<b>MPAC</b>	<b>Municipal Public Accounts Committee</b>
<b>MIG</b>	<b>Municipal Infrastructure Grant</b>
<b>MFMA</b>	<b>Municipal Finance Management Act</b>
<b>NDP</b>	<b>National Development Plan</b>
<b>KPA</b>	<b>Key Performance Areas</b>
<b>OCA</b>	<b>Operation Clean Audit</b>
<b>PMS</b>	<b>Performance Management System</b>
<b>SDBIP</b>	<b>Service Delivery and Budget Implementation Plan</b>
<b>MSA</b>	<b>Municipal Systems Act</b>
<b>RDP</b>	<b>Reconstruction of Development Programme</b>
<b>CLLR</b>	<b>Councillor</b>
<b>EXCO</b>	<b>Executive Committee</b>
<b>GRAP</b>	<b>Generally Recognized Accounting Practice</b>
<b>COGHSTA</b>	<b>Cooperative Governance, Human Settlements and Traditional Affairs</b>

## 2. PURPOSE OF OVERSIGHT REPORT

The main purpose of this report is to recommend to Council the consideration of the 2019/20 Annual Report and to adopt an Oversight Report containing comments on the Annual Report in terms of Section 129 (1) of the Local Government : Municipal Finance Management Act, 2003 (Act no.56 of 2003).

## 3. Municipal Public Accounts Committee

Council has after inauguration in August 2016 appointed fellow Council members to establish MPAC as an oversight committee over the work administration and to engender the culture of openness, transparency and accountability.

The Municipal Public Accounts Committee is the mechanism through which Council exercises oversight over the management and expenditure of public funds. Council must provide assurance to the public that public monies and assets are being managed properly and that value for money is being rendered by public sector institutions in their spending of public funds. Municipal Public Accounts Committees are established in terms of Section 79 of the Municipal Structures Act to conduct oversight functions.

The following Councillors served in the committee during the 2019/20 financial year:

<b>Names</b>	<b>Designation</b>	<b>Political Party</b>
<b>Cllr. Rathete P.T</b>	<b>Chairperson</b>	<b>ANC</b>
<b>Cllr Kobola S.E</b>	<b>Member</b>	<b>ANC</b>
<b>Cllr Matjee C</b>	<b>Member</b>	<b>DA</b>
<b>Cllr. Sephesu M.G</b>	<b>Member</b>	<b>ANC</b>
<b>Cllr. Duba M.</b>	<b>Member</b>	<b>ANC</b>

## 4. Overview of legislative framework on Annual Report

Each municipality is required to prepare an Annual Report in terms of Section 121 of the MFMA. Circular No. 63 issued by the National Treasury provides guidance on the structure of the Annual Report to ensure consistency by all municipalities in preparing their Annual Reports.

The adoption of an Oversight Report by the municipal council should be viewed as a compulsory task in terms of Section 129(1) of the Municipal Finance Management Act (MFMA) No.56 of 2003 in exercising financial management over the respective municipality.

The introduction of the Municipal Public Accounts Committee (MPAC) to Molemole Local Municipality has created an expectation of a transparent and accountable local government institution which will aspire to a sound financial management practice which will ultimately result in world class service delivery.

MPAC is now in position to table to Council the Oversight Report on the 2019-2020 Annual Report of Molemole Local Municipality.

Credit should go to members of MPAC, The Accounting Officer, District MPAC, COGHSTA, Audit Committee, and Internal Audit who have contributed to the compilation of the Oversight report and to ensure the Municipality complies with the relevant legislative framework relating to the Annual Report.

## **5. The purpose of Annual Report**

- i. To provide a record of the activities of the municipality during the 2019/20 financial year
- ii. To provide a report on performance against the budget of the municipality for the 2019/20 financial year;
- iii. To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

### **5.1 Major Elements of the 2019/20 Annual Report**

Circular 63 of the MFMA stipulates that the following elements must be included in the Annual Report:

Chapter 1: Mayor's Foreword and Executive Summary;

Chapter 2: Governance;

Chapter 3: Service Delivery Performance;

Chapter 4: Organizational Development Performance;

Chapter 5: Financial Performance;

Chapter 6: Auditor General's Findings;

Appendices; and AFS

Other disclosures as required by the MFMA in Section 121, 124, 125 (e.g. Councilors and Top Management compensation, grants, bank accounts, investments information etc.)

## **6. PROCESSES FOLLOWED BY COUNCIL**

In terms of Section 127 of the MFMA (Act 56 of 2003), the Mayor is required to table the Annual Report in Council within 7 months after the end of financial year. In terms of Section 127 (5) of the MFMA, the Accounting Officer must immediately after the Annual Report is tabled, make public the Annual Report, invite the local community to submit the representations in connection with the Annual Report and submit the Annual Report to the Auditor-General, the relevant provincial treasury and the provincial department responsible for local government in the province.

The 2019-20 Annual Report was tabled in Council on the 28 May 2021 in terms of section 127(2) of the MFMA (act no.56 of 2003). The reason for tabling the draft Report in May are as follows:

- a) The office of Auditor-General commenced with Audit in November 2020 and were due to issue the Final Audit Report in February 2021.
- b) The 2019/20 audit for Molemole municipality was finalized on the 20<sup>th</sup> May 2021.
- c) The Auditor-General has requested an extension of time to the 31<sup>st</sup> March 2021 after they could not complete the audit in the stipulated timeframe.
- d) MPAC could not undertake the oversight processes because the following components were outstanding due to extension of time:
  - i. Audited Annual Financial Statements
  - ii. Audited Annual Performance Report
  - iii. Final approved Audit report which was present in this Council today

In terms of Section 129(1) the Council is required to consider the Annual Report of the municipality and of any municipal entity under the municipality's sole or shared control, 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, 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, or refer the annual report back for revision of issues that need to be revised or that Council reject the annual report.

In the Council meeting held on the 28<sup>th</sup> May 2021 Council passed a resolution (resolution OC5.1.8/28/05/2021) referring the draft 2019/20 Annual Report to the Municipal public Accounts Committee for consideration as well as to embark on a public consultation campaign in all the sixteen wards of the municipality. The Accounting Officer had also publicised the Draft Annual report in the municipal website and was made available in all municipal service points, including libraries. The public was given seven (07) days to make inputs and/or representations on the draft Annual report.

Subsequent to the public consultations MPAC members were given sufficient time to review and discuss the Annual Report. The following stakeholders were also requested to provide inputs and comments in the Annual Report:

- i. Audit Committee Chairperson
- ii. Acting Chief Audit Executive
- iii. Auditor-General of South Africa
- iv. COGHSTA Limpopo
- v. Traditional Authorities

Public Consultation meetings were convened in all the four clusters as follows:

<b>Date</b>	<b>Time</b>	<b>Cluster</b>	<b>Attendance</b>	<b>Venue</b>
<b>17/06/2021</b>	<b>14H00</b>	<b>Ward 1,2,3,and 4</b>	181	<b>Eisleben Community Hall</b>
<b>18/06/2021</b>	<b>14H00</b>	<b>Ward 5,6,7,8 and 9</b>	64	<b>Makgato Community Hall</b>
<b>21/06/2021</b>	<b>11H00</b>	<b>Ward 11,12,13 and 14</b>	98	<b>Manthata Community Hall</b>
<b>21/06/2021</b>	<b>14H00</b>	<b>Ward 10,15 and 16</b>	102	<b>Sako Community</b>

It is the view of MPAC that the public consultations were successful and gave the communities an opportunity to make the Council account on the use of financial resources under its custodianship.

The committee provided clarity and responses to the questions or comments while others were noted for further attention by the relevant municipal departments and other sectors.

## 7. ISSUES OF CONCERN TO MPAC

The following questions were raised by MPAC and forwarded to the Accounting Officer for consideration:

### Chapter 1

#### Mayor's forward

1. "Due to the advent of COVID -19 ESKOM could continue", **instead of could not: CORRECTED**
2. "This was not possible in the second quarter" **instead of the 3<sup>rd</sup> or the 4<sup>th</sup> quarter**
3. "2012021" instead of **2020/2021: CORRECTED**
4. Executive Committee chaired by the Mayor, the MPAC and Ethic, Instead of the MPAC and Ethics chaired by the chairpersons. **NOT CLEAR**
5. "Lights to help the crime our communities" **instead light to help fight crime in our communities. CORRECTED**

Foreword should focus the summary of the 2019/2020 FY not on the future plan or IDP plans: **Foreword was done in line with Circular no. 11 of 2005 which guides that a Foreword "A general summary of the municipality's and any municipal service provider's performance during the year, and its priorities for service delivery with established performance targets and measures taken or to be taken to improve performance"**

#### Municipal Manager's Overview

1. Under Local Economic Development and Planning 62% be aligned: **Corrected**
2. "Five of the required six (6) Senior Managers have been appointed "instead of **06 of the required , 05 Senior Managers : Not Clear**
3. "There turnover" instead of **The turnover : Corrected**
4. "2020/2021 financial "instead **2020/2021 financial year : Corrected**
5. "Credit control policy is bearing fruit" instead of **bearing fruits: FRUIT is used for singular and plural, hence we only wrote fruit**



6. The emphasis should focus mostly on the summary of the 2019/2020 FY not on the future plan or IDP plans: **this was covered. We also followed guideline in Circular no. 11.**
7. 02 last sentences under Good Governance and Administration should fall out “ statement starting with “External Audit”: **statement reviewed** and review the statement starting from “ “The municipality is hoping for an improved audit opinion: **Statement corrected after receiving final audit report.**

### **Introduction to Background Data**

#### **Demographic Analysis**

1. “Statssa” instead of **STATS SA; Corrected and written in full**

#### **Molemole Employment Status**

1. The percentages of economically active population increased from 56.9% (61 598) in 2011 to 56.9% (70 833) in 2016. The percentages are the same while saying there is an increase please clarify the percentages. : **Corrected**

#### **Auditor General Report**

1. The following statements under Audit Report should be updated after the Auditor General table the Audit report to Council : **Updated accordingly**
  - 1.1 Explanation to clarify matters of emphasis in the 2019/20 process
  - 1.2 Comment on the overall performance of financial services
2. There is no consistency in writing the financial year e.g. **19/20 vs 2019/20: corrected**

#### **Header Chapters from the following chapters were indicated chapter 3 and 6: Final version corrected**

1. Chapter 2 should be indicated from page 39 - 55
2. “Chapter 3- Governance” should be start from page 51 – 148
3. “Chapter 4 should start on page 149 - 160
4. “Chapter 5 should start from 161 - 194
5. “Chapter 6 is incomplete , only summary of the Auditor General Report 2018/19 incorporated : **Summary report for 19/20 updated**

#### **Chapter 2 Governance**

##### **Introduction to Political Governance**

“The municipal Council, its committees. i.e portfolio committees, Section 79, Ethics Committee, Executive Committee as well as MPAC” **the statement should identify the Section 80 and Section 79 Committees and also include the Audit Committee : Corrected.**

### **Public Accountability and Participation**

“The municipality will publicize the draft report in the media and invite public to make inputs and comments on it before finalization” **the statement should be updated since the draft report was publicized on the municipal website: Corrected**

### **Communication, Participation and Forums**

**The following statement should be rectified:-**

1. The community Radio Stations where the public participation was conducted should be reviewed since the community radio stations are not covering the whole of the jurisdiction communities - **utilisation of Thobela FM should be considered in future: Noted. The main purpose of engaging local community radio stations is to ensure we empower them locally.**
2. Consistency in writing the dates. Eg – 17th, 01st, should be corrected - 17<sup>th</sup> and 01<sup>st</sup>.
3. The writer of the paragraph is contradicting since some of the information was from the Mayor e.g “ I want to thank Magoshi for making traditional authorities within municipal jurisdiction” and “I, the Mayor of Molemole municipality”: **Corrected.**

### **Corporate Governance**

1. The construction of Moletjie Office Cluster to cater for Wards 10,15 and 16 - ward 14 is missing (page 42):**Corrected**
2. There is no consistency in reporting e.g – the statement under Key Services delivery programmes in the year under review on page 9” After challenges experienced with Moletjie Office Cluster project, we are pleased to report that the offices are now complete” the statement contradict with the statement in page 42 under Overview of corporate governance “Office furniture has been installed and network system will be installed in the second half of the 2020/2021 financial year”: both paragraphs **Corrected**
3. Repetition of Risk Management Strategy(page 43) : **Corrected**
4. The Risk Management assessment was conducted in the fourth quarter of the 2019/2020 financial year and the outcome of the process was identification of the strategic and operational risk register for attention by management in the 2019/2020 financial year – the statement contradicts, it should be considered in the 2020/21 Financial year (page 43) : **corrected.**

### **SCM Unit**

1. “There is also the Asset Officer, Procurement Officer Etc.” – The statement should be rectified since the Organizational Structure for 2019/2020 does not have the position of the Procurement Officer. (Page 47): **the 19/20 has got the position. It was only the 2020/2021 that doesn't have.**

2. "Councillors are not sitting in any committees, however, they receive reports on SCM implementation on quarterly basis – the statement is contradicting to the actually activities of the reports to council for noting which are not submitted,; **The SCM report is submitted to Council every quarter to update Council on implementation of the SCM policy.**

**Municipal website: content and currency of material**

"Theses" in page 49 should be rectified to **the: corrected to these**

**CHAPTER 2 GOVERNANCE**

**Question 1**

Since the municipality empowered businesses led by both women and youth in 2019/2020 financial year.

- a) **How many youth and woman led businesses where benefited?**  
 b) **In which projects were they benefited?**

No	Youth and woman	How many youth and woman led businesses where benefited	In which projects were they benefited
1	Women	195	Accommodation, Catering, Trainings, Repairs General , Construction , supply and delivery in general
2	Youth	40	Accommodation, Transport ,Repairs General , Construction , supply and delivery( general)

**Question 2**

In page 48 under the comment on By-Laws, the municipality managed to develop the draft by-laws for street trading, outdoor advertising.

- a) **Did the municipality manage to approve the by-laws: The draft by-laws were approved by Council for them to go through public participation.**  
 b) **Please provide the dates on which the dates were approved? 28 May 2021**

**Question 3**

Since the municipality managed to launch Facebook and Twitter in 2017/18, and reported an increase of 1,740 Facebook likes in 2018/19 and 437 followers

**a) What is the status of followers for 2019/2020?**

**Facebook: 419. A new account was opened in May after the departure of former Communications Officer.**

**Twitter: 279. The account was deactivated since the departure of former Communications Officer.**

**New accounts will be created by the current Communications Officer and shared with all municipal stakeholders.**

**Question 4**

The table on page 49 under Municipal website: content and currency of material contains unreliable information.

- a) When was the 2018/19 Annual report approved by council and published?: Corrected**  
**b) When were the quarterly reports for 2018/2019 and 2019/2020 tabled in council published? : 5 days after approval by Council**

**Question 5**

The municipality has a communicating channel with its Councillors, Employees, Molemole residents through Bulk SMS, private mail accounts and WhatsApp.

- a) How did the municipality communicate with the external stakeholders? Emails, Newspapers, Websites, Radio**

**Question 6: Corporate Services**

The municipality reported an increase from 04 in 2018/19 to 18, which is 350% increase in complaints of which the 38% was from billing section while 28% was from the municipal manager's office.

- a) When was 94% cases resolved?: during the 2019/20 financial year**  
**b) The remaining 34% cases was for which department?: see table below**

Division	Total cases received
Administration	02
Road & Storm Water	0
Water & Sanitation	0
Electricity	01
Parks & Cemetery and Refuse Removal	0
Library	01
Traffic	01
IDP	0
Town Planning	01
<b>TOTAL CASES</b>	<b>6</b>

- c) Does the municipality/ Accounting Officer proofread the documents since there is no consistency in reporting?: **Yes the documents are proofread by various departments before finalized. Other stakeholders like MPAC, Councillors, AGSA, COGHSTA and TREASURY also make inputs to the report before finalization. The process of finalization is underway since the audit report is finalized.**
- d) Please elaborated on how people –oriented approach is going to be implemented? **To ensure that all departmental officials practice Batho Pele principles during their interaction with communities on municipal services.**

### CHAPTER 3 – SERVICE DELIVERY PERFORMANCE

#### Question 7

The municipality anticipated to collect R 258,805,679, which were not met.

- a) What was the root cause for the municipality for not achieving the targets for fines and penalties and other revenue?:
- **The municipality realized revenue of R 223 741 555 which represent 86%. The amounts were corrected after adjustment during audit. The shortfall due to inability to sell the stands which were identified in Mogwadi and Morebeng.**
  - **The non-functioning of the municipal traffic stations during lock-down lead a drastic decrease in the municipal traffic and licensing collection rate.**

### ECONOMIC DEVELOPMENT DEPARTMENT

#### Question 8

The municipality did not manage to achieve LED&P-001-2019/20; LED&P-002-2019/20; LED&P-003-2019/20 and LED&P-005-2019/20.

- a) Please provide the status of the above-mentioned projects since they were reported to be finalised in the first and the second quarter of the 2020/2021 financial year.
- **LED&P-001-2019/20;- the target was achieved in the 2nd quarter of 2020/2021**
  - **LED&P-002-2019/20; - Council approved the layout plan in the 1<sup>st</sup> quarter of 2020/201 financial year**
  - **LED&P-003-2019/20 –Council Approved the land use scheme in the 1<sup>st</sup> quarter of 2020/2021 financial year**
  - **LED&P-005-2019/20- council approved the precinct plan in the 1<sup>st</sup> quarter of 2020/21 financial year**
- b) How did the municipality manage to incur the expenditure against the projected budget on the project LED&P-005-2019/20 while the target was not achieved?
- **All key milestones were achieved. The project was only pending a council resolution**

#### **Question 9**

The municipality did not manage to achieve LED&P-010-2019/20, LED&P-012-2019/20, and LED&P-014-2019/20 since it was reported to be completed in the next financial year.

- a) What is the status of the projects?
- **LED&P-010-2019/20- the forth LED forum was not held due to lockdown restrictions.**
  - **LED&P-012-2019/20- the LED section is currently implementing the SMME's training and development project, which included the 20 SMME's which were not covered during the financial year in question.**
  - **LED&P-014-2019/20- the project was not implement due to inability to secure funds, but however the stakeholders' engagement programme serves as strategy to engage with possible investors and developers.**

#### **Question 10**

The municipality did not manage to achieve LED&P-011-2019/20 and LED&P-012-2019/20 since it was reported to be completed in the first and second quarter of 2020/2021 financial year.

a) What is the status of the projects?

- **LED&P-011-2019/20- The project was achieved.**

**LED&P-012-2019/20- implementation of the SMME's training and development project caters for the 20 SMME's which were not covered during the financial year in question.**

### **Question 11**

According to the report, community services only had 03 targets of which 02 projects discontinued.

a) What is the core functions of community services department?

- **Social services**
- **Environment and waste management**
- **Traffic, Law-enforcement, registration and licensing.**

#### **Coordinated Factions**

- **Disaster Management Services**
- **Sports, Arts and Cultural services**

b) Since 2019/2020 financial year, the country encountered Covid19 pandemic year, how many graves were sold and for how much?

- **12 graves were sold for R10 686- 72**

c) How many TLBs did the municipality have currently?

- **The Community services department has only one (1) TLB (Tractor Loader Backhoe).**

d) How many roadblocks conducted in 2019/2020 financial year, number of spot fines, how many tickets issued and how much was collected? Please provide a quarterly break down.

- **1<sup>st</sup> Quarter Report: July- September 2019**

**Road blocks (Road safety) conducted =12**

**Spot fines =none due to lack of impounding service facilities**

**Number of traffic fines issued= 408**

**Total value of traffic fines issued=R278, 500**

**Number of traffic fines paid=60**

**Total amount paid=R22, 300.00**

➤ **2<sup>nd</sup> Quarter Report: October- December 2019**

**Road blocks (Road safety) conducted =12**

**Spot fines =none due to lack of impounding service facilities**

**Number of traffic fines issued= 472**

**Total value of traffic fines issued= 359,000.00**

**Number of traffic fines paid=64**

**Total amount paid=R70,500**

➤ **3<sup>rd</sup> Quarter Report: January- March 2020**

**Road blocks (Road safety) conducted =12**

**Spot fines =none due to lack of impounding service facilities**

**Number of traffic fines issued= 452**

**Total value of traffic fines issued= 301,000.00**

**Number of traffic fines paid=65**

**Total amount paid=R36, 800.00**

➤ **4<sup>th</sup> Quarter Report: April- June 2020**

**Road blocks (Road safety) conducted =12**

**Spot fines =none due to lack of impounding service facilities**

**Number of traffic fines issued= 25**

**Total value of traffic fines issued= R12, 800.00**

**Number of traffic fines paid=22**

**Total amount paid=R11, 000.00**

e) What corrective measures did the municipality take for non-paying of tickets and fines issued?

➤ **Serving of warrants of arrests**

f) Please provide a proof of purchased for the TLB procured during the 2019/20?

➤ **Proof of purchase for the TLB attached.**



**BUDGET AND TREASURY DEPARTMENT****Question 12**

The department managed to compile the 2018/19 AFS with an expenditure amounting to R874 000.00.

- a) Since the municipality, continue to incur expenditure for compilation of AFS every financial year, what skills transferred from service providers appointed to compile the AFS to municipal officials?

**The skills are being transferred but the municipality requires officials who will directly focusing on reporting which has been indicated on the proposed organizational structure for budget and reporting.**

- b) For how long will the municipality continue to appoint the service providers to compile the AFS, while there are responsible officials appointed, e.g. CFO and Deputy CFO?

**When the municipality has a complete finance structure which includes the proposed positions (Accountant Reporting and Manager Reporting).**

**The above officials will focus on the reporting party of financial management which will not compromise the internal control processes.**

**The deputy CFO's responsibilities include the Revenue and General expenditure management which was designed in response to the lack of financial resources.**

**The preparation processes might compromise the review and approval procedures if it can be allocated to the CFO which might be the weakness of the internal control.**

- c) Why did the department fail to incorporate the target for audit outcome in the SDBIP?

**It was considered as an outcome for the municipality as a whole and the regulated requirements not as a specific achievement for specific individuals. It will be considered in future.**

## **MUNICIPAL MANAGER'S OFFICE**

### **Question 13 – MM-010-2019/20**

**The department transported the forum members and the meeting cancelled.**

- a) Who was the responsible person procured the transport for members of the Forum?:  
**Special Focus Coordinator. The trip was undertaken and the driver had to transport the forum members back to their respective homes, hence the invoice was paid for.**
- b) Who approved the procurement processes: **Order issued from SCM office.**

### **Question 14 – MM-012-2019/20 and MM-013-2019/20**

The department failed to meet the targets due national lock down and reported to be conducted in 2020/21 financial year.

- a) Did the department manage to conduct the above activities as it was reported be conducted in 2020/21 financial year?
  - i. **Women related activities are now budgeted under Women and children vote.**
  - ii. **Local Aids Council meetings were conducted in the first half of the financial year.**
- b) If yes, please provide proof. **POE submitted**
- c) If not, what was the root cause for not conducting the activities since we are already in the last quarter of 2020/21 financial year?: **N/A**

### **Question 15 – MMOP-053-2019/20, MMOP-054-2019/20 and MMOP-055-2019/20**

The department failed to meet the above targets and reported to awaiting annual assessment for all employees.

- a) What is the link between the audit action plan, risk register and the assessment of all employees? **The municipality got a finding for not implementing PMS at all levels of employees. This was part of audit action plan to be monitored for implementation during the financial year.**  
**The Risk Committee also included the matter in the Risk register.**
- b) Please provide an update Action Plan to address Audit Queries for the 2019/20: **Attached.**

## **CORPORATE SERVICES DEPARTMENT**

**Question 16 – CORP-008-2019/20**

Training of Councillors was not met due to Covid-19 Lockdown.

- a) How many Councillors were expected to be trained and how many trained in 2019/20 financial year?: **32**
- b) Please provide a list of Councillors trained in 2019/20 financial, courses, duration and their performance: **Attached**

## **8. CONCLUSION**

Having considered the 2019/20 Annual Report of Molemole Local Municipality as tabled on the 28 May 2021, Council should adopt the Oversight Report in terms of Section 129 (1)(of the Municipal Finance Management Act, 2003 (Act 56 of 2003).

MPAC encouraged the Municipal Manager to improve review mechanisms to ensure the information in the Annual report is accurate and is backed up by factual information.

## **9. GENERAL COMMENTS ON THE CONTENT OF THE ANNUAL REPORT**

MPAC appreciates the support given by all stakeholders during the oversight processes for the 2019/20 Annual Report.

The committee further congratulate the Municipality for having maintained the unqualified Audit report for the 6<sup>th</sup> consecutive time this year and hope that the municipality is well and ready to get a clean audit in the 2020/2021 financial year.

The Committee wishes the all the best for the upcoming Council and hopes that the new MPAC committee will use the Oversight reports to get a sense of service delivery challenges in the municipality and to come with programme of action to address them.

## **10. RECOMMENDATIONS**

The committee recommended as follows:

- 10.1** That Council adopt the Oversight Report and the Annual Report without reservations in terms of Section 129 of the Municipal Finance Management Act, 2003 (Act no.56 of 2003)

**CLLR RATHETE PT  
MOLEMOLE MPAC CHAIRPERSON**