

10 JUNE 2020

**Report to Amajuba District Council**

Author – Cllr NC Khabanyane  
Designation – MPAC Chairperson

**Report for adoption**

**MPAC report for Quarter 3 ended 31/03/2020**

Speaker  
Mayor  
Deputy Mayor  
Honourable Councillors  
Municipal Manager  
Senior Managers  
All other staff members  
Invited Visitors (A.G., Provincial Treasury, COGTA)

**1. INTRODUCTION**

The Municipal Public Accounts Committee of ADM has pleasure in submitting the MPAC Report to full Council for the above period for adoption.

**2. PURPOSE**

The purpose of this report is to bring to the attention of Council areas of focus by MPAC and areas of concern or improvement as identified during the 4<sup>st</sup> quarter ended 30 June 2019.

**3. MEMBERS**

MPAC consist of members listed hereunder and meets a minimum of 4 times per year as per the requirement set in the Municipal Structures Act. The MPAC Committee has in the current year held (three) meetings of its sitting.

**4. ANNUAL REPORT FOR 2018/2019**

The MPAC Meeting was provided with the annual report for 2018/2019 and it has worked that many areas were progressing well however, we still have concerns on the following areas as they seem to be frequently arising.

Cllr NC Khabanyane- **Chairperson**  
Cllr NM Ntshangase  
Cllr VP Mzima  
Cllr MV Molefe  
Cllr NS Hlatshwayo  
Cllr TM Nzuzza  
Cllr M Msibi  
Cllr RN Ngcobo

Cllr MV Buhali

**Council should consider the following:**

**4.1 THAT** Council adopts the Annual Report for the Amajuba District municipality for 2018/2019 financial year, with the following reservations:

- **That** the entire performance matters and issues relating to them are showing that the municipality is handling them well, but the reality is that there are challenges with the performance of the ADM which is sitting at 56% which is very low and the committee recommends that the Council devise mechanisms or any corrective measures to improve the situation;
- **That** Council should consider and take a stricter measure to minimise the UIFW expenditures;
- **That** there is a major concern with the Supply Chain Management policies which are not adhered to by the municipality, reference to notes of Annual Financial Statements (*Normal Supply Chain management policies not followed*);
- **That** Council and management needs to exercise stricter budgetary controls in order to improve the financial position at the municipality. This must include the implementation of the Financial Recovery Plan;
- **That** Council and management must ensure the addressing of AG Findings;
- **That** Council institute the non-compliance and consequence management in the municipality; and
- **That** the attendance of members as indicated by the Audit Committee is true that some members were not attending MPAC Meetings, and that impacted on the committee's ability to track progress, reports of non-attendance were submitted to the Speaker.

**4.2 THAT** Management reports to Council regularly on issues reflected on item 4.1;

**4.3 THAT** Council having fully considered the Annual Report for 2018/2019 financial year, adopts the oversight report for the 2018/2019 Financial Year, a copy of which is attached to the signed minutes;

**4.5 THAT** the oversight report be made public in accordance with Section 129 (3) of the Municipal Finance Management Act 56 of 2003; and

**4.6 THAT** the oversight report be submitted to the Provincial Legislature in accordance with section 132 (2) of the Municipal Finance Management Act 56 of 2003.

It must also be noted that a decision was taken by MPAC to ask the Council to encourage the participation of the Accounting Officer in the adoption of the Annual Report.

## 5. CONCLUSION

As MPAC we are also humbled by the support that we are receiving from the Accounting Officer and his Staff as well as our Political Leadership. We also express gratitude to the Accounting Officer for providing us with the required resources and to Council for dedicating time and energy in deliberating our reports. We as MPAC will table our Oversight Report to Council at the end of June/July 2019 sitting of Council to highlight areas of concern achievements and progress so that Councillors are kept abreast of what is happening within the municipality.



**Cllr NC KHABANYANE**  
**MPAC CHAIRPERSON**