

OVERSIGHT REPORT IN RESPECT OF 2012/13 ANNUAL REPORT FOR THE LANGEBERG MUNICIPALITY (DIRECTOR STRATEGY AND SOCIAL DEVELOPMENT)

1. PURPOSE OF THE REPORT

To enable the Committee to execute its oversight responsibility in considering the Langeberg Municipality's Annual Report in terms of Section 129 of the Local Government: Municipal Finance Management Act (Act No 56 of 2003) (MFMA).

2. BACKGROUND

STRATEGIC INTENT

Organisational Transformation and Good Corporate Governance

3. LEGAL IMPLICATIONS

3.1. Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)

3.2. Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) Chapter 6, as read with the Local Government: Municipal Systems Amendment Act, 2003 (Act 44 of 2003)

3.3. Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)

4. FOR DECISION

Council

5. EXECUTIVE SUMMARY

5.1. The Municipality's Annual report process has been prepared according to Section **121.** (1) of the MFMA, which prescribes that, every municipality must for each financial year prepare an annual report. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality in accordance with section 129

5.2. **In terms of Section 129 of the MFMA,** The council must 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, 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.

5.3. MFMA Circular Number 32 recommends the establishment of an oversight committee for the detailed analysis and review of the annual report(s), following their tabling in Council, receiving and reviewing representations made by the public, inputs from other councillors and Council Portfolio Committees and then drafting an oversight report that may be taken to full Council for discussion.

5.4. In terms of MFMA Circular Number 32, in order to approve the Annual Report without reservations, Council should be able to agree that the information contained in the report is a fair and reasonable record of the performance of the municipality in the financial year reported upon. Approval means that the executive and administration have discharged in full, their accountability for decisions and actions and that their performance meets the criteria set by performance objectives and measures and is also acceptable in the community.

5.5. **MPAC Committee:**

The oversight committee convened on the 18 February 2014 to discuss the draft Annual report and the following was raised:

Discussion of the draft annual report

Chapter 1

No amendments

Chapter 2

No amendments

Chapter 3

No amendments

Chapter 4

Amendments as raised by AGSA on pages 27 . footnote on page 32 to include vacancy in Civic Independent)

Chapter 5

Remove the note on Page 40 as requested by AG

Chapter 6

The letter of the Audit Committee be amended as indicated by the Auditor General as part of their comment on the printer proof.

5.6 National and Provincial Treasury:

5.5.1 The Annual Report was submitted to the National and Provincial treasury office during December 2013 There were no comments received from both offices.

5.5.2 Provincial Department of Local Government

The Annual Report was submitted on December 2013 to the Provincial Department of Local Government. No comments were received

5.5.3 From ward committees unit the following confirmation were received via email from Mr Bronn that no inputs were received :

Me Matthys

Die wykskomitee het geen insette ingehandig op die konsep jaarverslag nie.

5.5.4 Comments from the AGSA office :

Hi Celeste

I have gone through the CD and hardcopy and can you just check the following:

- *The AC report page 122 is last year's report, we need to check the AC report for 2012/13*
- *Personnel expenditure on page 27, where did you obtain the figures for 2012/13 and 2011/12, they do not exactly agree with the AFS, can you perhaps check with Bradley*

Corrections as requested by AG was corrected and sent to AG for authorisation

RECOMMENDATIONS OF OVERSIGHT COMMITTEE

The MPAC / Oversight Committee having considered the 2012/2013 Draft Annual Report of the Municipality recommends that:

That the Annual report be considered and adopted by Council without reservations.

Dat die Jaarverslag oorweeg word en sonder voorbehoud aanvaar word deur die Raad.

Hierdie verslag het voor die Raad gedien op 25 Februarie 2014

This item served before Council on 25 February 2014

Eenparig Besluit / Unanimously Resolved

That the Annual report be approved and adopted by Council without reservations.

Dat die Jaarverslag goedgekeur en sonder voorbehoud deur die Raad aanvaar word.