

**OVERSIGHT REPORT IN RESPECT OF 2017 / 2018 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 56 of 2003) (MFMA)

**2. BACKGROUND**

The draft Annual Report for 2017 / 2018 is available as a drop box link to all councilors:

<https://www.dropbox.com/s/76rypc92jyg5zgm/APR%2017-18.pdf?dl=0>

**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 System 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 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 and oversight report that may take to full Council for discussion.

5.4 In terms of the 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 reports 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 Auditor-General (Annexure A )**

The Annual report was electronically submitted to the Auditor General on 12 December 2018

Good day All

Please find attached Adjustment Budget 2018/2019 with Council Resolution A 3737 and Council Resolution A 3739: Tabling of the Draft Annual Report 2017/2018, that serves before the Council meeting of 10 December 2018.

Also find below links on our website:

The Draft Annual Report 2017/2018 is open for public comments until 01 February 2019

[https://www.langeberg.gov.za/municipal-documents/langeberg-annual-report/doc\\_download/3018-draft-annual-report-20172018-open-for-public-comments](https://www.langeberg.gov.za/municipal-documents/langeberg-annual-report/doc_download/3018-draft-annual-report-20172018-open-for-public-comments)

The Adjustment Budget 2018/2019

[https://www.langeberg.gov.za/municipal-documents/langeberg-budget/doc\\_download/3021-adjustments-budget-december-2018](https://www.langeberg.gov.za/municipal-documents/langeberg-budget/doc_download/3021-adjustments-budget-december-2018)

You are hereby kindly requested to acknowledge receipt of this e-mail.

Kind regards

Jo'selina Buis  
Personal Assistant (Finance)

### **5.6 National and Provincial Treasury**

5.6.1 The Annual Report was submitted to National and Provincial Treasury office on the 12 December 2018

Comments were received from Provincial Treasury via email and attached to this report as Annexure B

Subject: RE: Draft APR Re-submission - January 2019

From: Malcolm Booysen

To: Celeste Matthys

CC: Mava Shude ,Duwayne Lakey ,Tembela Nabe ,Soyisile Mokweni

Dear Celeste,

Please find Provincial Treasury's comments in this regard.

Kind regards

Malcolm

Mr Malcolm Booysen

Senior Manager: Local Government Budget Office

Western Cape Government

Provincial Treasury

3rd Floor, 7 Wale Street, Cape Town

Tel: +27 21 483 3386

Mobile: 082 895 1798

E-mail: [malcolm.booysen@westerncape.gov.za](mailto:malcolm.booysen@westerncape.gov.za)

Website: [www.westerncape.gov.za](http://www.westerncape.gov.za)

**From:** Celeste Matthys [<mailto:CMatthys@langeberg.gov.za>]

**Sent:** 29 January 2019 04:45 PM

**To:** Malcolm Booysen <[Malcolm.Booyesen@westerncape.gov.za](mailto:Malcolm.Booyesen@westerncape.gov.za)>; Tembela Nabe <[Tembela.Nabe@westerncape.gov.za](mailto:Tembela.Nabe@westerncape.gov.za)>

**Cc:** Mava Shude <[mshude@langeberg.gov.za](mailto:mshude@langeberg.gov.za)>; Duwayne Lakey <[dlakey@langeberg.gov.za](mailto:dlakey@langeberg.gov.za)>

**Subject:** FW: Draft APR Re-submission - January 2019

Good afternoon Malcolm

Please find below the resubmission with the Council resolution for the draft Annual Report

[https://www.langeberg.gov.za/municipal-documents/langeberg-annual-report/cat\\_view/5-municipal-publications/15-annual-report/222-annual-report-20172018](https://www.langeberg.gov.za/municipal-documents/langeberg-annual-report/cat_view/5-municipal-publications/15-annual-report/222-annual-report-20172018)

The original that was tabled in December included the audited AFS and APR, the outstanding information was the final audit report.

Until Council meeting this morning the final Audit report was not available due to a dispute between the AG and Municipality

Once the final report is received we will take it to the Audit committee and MPAC for Oversight purposes and the finalisation of the oversight report.

Regards

**From:** Willy-John Gordon

**Sent:** Tuesday, 29 January 2019 4:23 PM

## 1.1 Social Media

1.1.1 Municipal website: **No comments were received** (Tabling of Draft Annual Report 17/18 was uploaded on 12 December 2018 and were downloaded 88 times)



### Draft APR Re-submission - January 2019

Draft APR Re-submission - January 2019

new!

|                |            |
|----------------|------------|
| Date added:    | 01/29/2019 |
| Date modified: | 01/29/2019 |
| Filesize:      | 8.59 MB    |
| Downloads:     | 6          |

[Download](#) [Details](#)



### Draft Annual Report 2017/2018 open for public comments

Comment on the Draft Annual Report for the 2017/2018 financial year.

Closing date: 01 February 2019

|                |            |
|----------------|------------|
| Date added:    | 12/10/2018 |
| Date modified: | 12/13/2018 |
| Filesize:      | 7.73 MB    |
| Downloads:     | 88         |

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Langeberg Municipality

Published by Langeberg Municipality [?] · December 12, 2018 · 🌐

NOTICE: Members of the public and communities within the Langeberg Municipality, Government Institutions, the private sector and organs of the civil society, are hereby invited to comment on the Draft Annual Report for the 2017/2018 financial year.

The report can be viewed here: [bit.ly/APR201718](http://bit.ly/APR201718).

Hard copies are also available for comments and viewing at the Langeberg Municipal Offices.... [See More](#)



1,061

People Reached

57

Engagements

Boost Post

👤 Betty Fiellies, Montagu 6720 ZA and 4 others

2 Shares



Like



Comment



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@Langeberg\_Muni

Langeberg Municipal Notice: You are hereby invited to view the Draft Annual Report for the 2017 - 2018 financial year on the website ([langeberg.gov.za](http://langeberg.gov.za)) or at Municipal offices. Please submit written comments on the report by 1 February 2019.



5:01 AM · 12 Dec 2018



Add another Tweet

1.1.2 Facebook: **No comments were received**

1.1.3 Twitter: **No comments were received**

1.1.4 Through the municipal Archive system

**No written comment was received (see email from Mrs Kotze Annexure C)**

**NOTE:** The annexure was distributed as part of the agenda for the MPAC Committee meeting of 12 Feb 2019 (pg 23 – 28 & drop boxes)

**RECOMMENDATIONS: Municipal Public Accounts Committee (MPAC ) / OVERSIGHT COMMITTEE**

That the annual report for 2017/2018 be considered and adopted by Council without reservations.

*Dat die Jaarverslag vir 2017/2018 oorweeg word en sonder voorbehoud aanvaar word deur die Raad*

**This item served before the Municipal Public Accounts Committee (MPAC) on 12 February 2019**  
**Die item het voor die Munisipale Openbare Rekeninge Komitee (MORK) gedien 12 Februarie 2019**  
**Recommendation / Aanbeveling**

That the Annual Report for 2017/2018 be considered and adopted by Council without reservations.

*Dat die Jaarverslag vir 2017/2018 oorweeg word en sonder voorbehoud aanvaar word deur die Raad*

**This item served before the Executive Mayoral Committee on 19 February 2019**  
**Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 19 Februarie 2019**  
**Aanbeveling / Recommendation**

That the Annual Report for 2017/2018 be considered and adopted by Council without reservations.

*Dat die Jaarverslag vir 2017/2018 oorweeg word en sonder voorbehoud aanvaar word deur die Raad*

**This item served before an Ordinary Meeting of Council on 26 February 2019**  
**Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 26 Februarie 2019**  
**Eenparig Besluit / Unanimously Resolved**

That the Annual Report for 2017/2018 be considered and adopted by Council without reservations.

*Dat die Jaarverslag vir 2017/2018 oorweeg word en sonder voorbehoud aanvaar word deur die Raad*

( A 3762 )

**Willemien Marais**

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**From:** Jo'selina Buis  
**Sent:** Wednesday, 12 December 2018 11:46 AM  
**To:** Asanda Tsengiwe; Asanda; Deidre Basson; Elsabe Rossouw; GideonV@agsa.co.za; gideonvn@agsa.co.za; Isaac.McKenzie@westerncape.gov.za; Keith.Roman@westerncape.gov.za; Kevin.Bell@treasury.gov.za; Kosie.Haarhoff@westerncape.gov.za; lgdocuments@treasury.gov.za; Linda Kruger; Malcolm Matipa; Malcolm.Booyesen@westerncape.gov.za; MFMA; MFMA.MFMA; Paul.Pienaar@westerncape.gov.za; SikululweN@agsa.co.za; Tania.Bosser@westerncape.gov.za; Tembela.Nabe@westerncape.gov.za; Zoleka.Malusi@westerncape.gov.za  
**Cc:** Ayanda Mati; Bradley Brown; Celeste Matthys; Charl Martin; Christa Gous; Donald Engelbrecht; Duwayne Lakey; Ennestacia Kleinveldt; Hannes Wiese; Joliza Swanepoel; Jongi Mfutwana; Langeberg Municipality; Mava Shude; MM; Nadia Hendricks; Willemien Marais; Willy-John Gordon  
**Subject:** ADJUSTMENT BUDGET 2018/2019 AND DRAFT ANNUAL REPORT 2017/2018  
**Attachments:** Compiling of the 2018 2019 Adjustment Budget with Council resolution A 3737.pdf; Report - A3737 - Compiling of the 2018 2019 Adjustment Budget.pdf; Report - A3739 - Tabling - Draft Annual Report 2017 2018.pdf

Good day All

Please find attached Adjustment Budget 2018/2019 with Council Resolution A 3737 and Council Resolution A 3739: Tabling of the Draft Annual Report 2017/2018, that serves before the Council meeting of 10 December 2018.

Also find below links on our website:

The Draft Annual Report 2017/2018 is open for public comments until 01 February 2019

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The Adjustment Budget 2018/2019

[https://www.langeberg.gov.za/municipal-documents/langeberg-budget/doc\\_download/3021-adjustments-budget-december-2018](https://www.langeberg.gov.za/municipal-documents/langeberg-budget/doc_download/3021-adjustments-budget-december-2018)

You are hereby kindly requested to acknowledge receipt of this e-mail.

Kind regards

Jo'selina Buis  
Personal Assistant (Finance)

Langeberg Munisipaliteit / Langeberg Municipality  
Privaatsak X2 Private Bag  
Ashton, 6715  
Tel • (023) 615 8029 • Phone  
Faks • (023) 615 1563 • Fax  
[jbuis@langeberg.gov.za](mailto:jbuis@langeberg.gov.za) / [admin@langeberg.gov.za](mailto:admin@langeberg.gov.za)





**Western Cape  
Government**

Provincial Treasury

Dr Nabe  
Local Government Budget Office  
Email: Tembela.nabe@westerncape.gov.za  
tel: +27 021 483 4824 fax: +27 21 483 4680

**Reference: PTR/12/2/13/4**

The Municipal Manager

Langeberg Municipality  
Private Bag X2  
ASHTON  
6715

For attention: Mr SA Mokweni

**PROVINCIAL TREASURY COMMENTS ON THE TABLED 2017/18 ANNUAL REPORT**

**1. INTRODUCTION**

- a. MFMA section 121(1) states that every municipality and every municipal entity must for each financial year prepare an annual report. The council of a municipality must within nine months after the end of the 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.
- b. MFMA sections 121(3) and (4) sets out the framework relating to the content of the annual reports for both municipalities and municipal entities.
- c. National Treasury has further introduced the new annual report template and MFMA Circular No. 63 on 26 September 2012. MFMA Circular 63 aims to provide guidance to municipalities and municipal entities on the Annual Report format and its contents.
- d. The municipal council is then obliged to consider any views of the local community; the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the Annual Report.



## **2. LEGISLATIVE COMPLIANCE**

### **2.1 Conformance**

The conformance assessment highlights compliance by Langeberg Municipality with the MFMA and Annual report MFMA Circular 63 is as follows:

- a. The Municipality submitted the draft 2017/18 Annual Performance Report together with the AFSs to the Auditor General by 10th December 2018.
- b. The unaudited Annual report was tabled into Council at least 6 months at the end of the budget year in accordance with MFMA Circular 63.
- c. The Annual report was tabled to Council on 10 December 2018 which is within 7 months after the end of the financial year in accordance to MFMA section 121(1).
- d. The draft Annual report was placed on the website on the 12 December 2018 which is within in accordance to section 75 of the MFMA.
- e. The Annual report was made public and public was invited to comment on the Annual report in accordance with section 127(5) of the MFMA.
  - An advert was placed on the municipal website on the 12<sup>th</sup> of December 2018 inviting public comments.
  - The annual report includes details on issues raised during the previous financial year by the Auditor General.
  - In addition, the Annual Report was made available to the public at municipal offices in Ashton, Robertson, Montagu, Bonnievale and McGregor.

### **2.2 Format of the Annual Report as per MFMA Circular 63**

- a. The Annual Report partially complies with the Annual Report Template as described by MFMA Circular 63 as it did not include all of the required appendices.
- b. The Mayor's Foreword is broadly in line with MFMA Circular 63 guidelines for this section.
- c. The Municipal Managers Foreword is broadly in line with MFMA Circular 63 guidelines for this section.
- d. The annual report provides comprehensive overview of the demographics, population, basic service levels access and basic service delivery challenges, economic growth and development structure of the municipal area.
- e. The Auditor-General awarded the Municipality an unqualified audit for the 2017/2018 financial year.

### 3. Chapter 3: Service Delivery Information and Performance

#### High Level Summary – Key Performance Areas

|                                      |   |  |   |  |   |
|--------------------------------------|---|--|---|--|---|
| 2017/18                              | Facilitate integrated human settlements & improved living conditions of all households<br>SO1 | Provide and maintain infrastructure to provide basic services to all citizens<br>SO2 | Promote an enabling environment for economic growth and decent employment.<br>SO3 | A responsive and accountable administration<br>SO4 | Adherence to all laws and regulations applicable to LG<br>SO5 |
| SDBIP Target Set (No of total KPI's) | 7   | 35   | 1   | 19   | 10  |
| Number of targets achieved           | 2   | 27   | 0   | 19   | 10  |
| Percentage target achieved           | 28.5%   | 77.1%  | 0%  | 100%   | 100%  |
| Number of targets not achieved       | 5   | 7  | 1   | 0  | 0   |

#### Comments

In terms of service delivery, the Annual report reflects that 82 per cent (59 of 72) of the top levels KPIs were achieved in the 2017/18 financial year. This reflects a variance of 18 per cent between actual and planned performance for 2017/18.

The 13 targets not achieved are related to the following strategic objectives: Provision and maintenance of infrastructure to provide basic services to all citizens and to facilitate integrated human settlement and improved living conditions of households within the Langeberg municipal area. The underperformance for the above Strategic Objectives is concerning as this will affect service delivery in future.

Langeberg has provided explanations and corrective measures around the missed targets which indicates they have /are being addressed.

Access to basic services for indigent households has increased in the 2017/18 financial year and while funding still remains a challenge, most targets set for provision of services to indigent households have been achieved. To ensure it meets the water demands in the area during the 2017/18 financial year, the following interventions were implemented by the municipality:

- Boreholes were sunk, to find alternative water sources;
- A new reservoir was constructed to increase storage capacity and
- Water restrictions were implemented.

To ensure it meets the demand for energy in the area, Langeberg invested considerably in new electricity infrastructure during the 2017/2018 financial year. This new infrastructure improved service delivery and monitoring. The replacement of faulty pre-paid meters lowered unaccounted electricity losses.

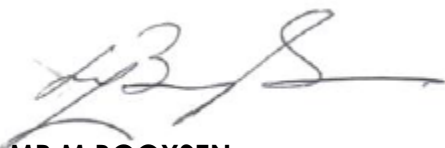
## **CONCLUSION AND RECOMMENDATIONS**

Langeberg Municipality has complied with the legislation regarding the tabling, publishing document for comments, submission to Provincial Treasury and placement on the website within the time frames prescribed in the MFMA section 21. Only partial compliance to the prescribed format of the report is achieved as the draft 2017/18 Annual report did not include all the recommended appendices as detailed in the MFMA Circular 63. The municipality must include all the required appendices in the final report.

Langeberg Municipality has produced a comprehensive report 2017/18 Annual Report reflecting detailed information pertaining to the Municipality's performance during the year under review.

For any further enquiries, please do not hesitate to contact Dr Nabe as per above details.

Kind regards



**MR M BOOYSEN**

**DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE**

**DATE: 31 January 2019**

## Willemien Marais

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**From:** Charlene Eyssen  
**Sent:** Friday, 01 February 2019 11:48 AM  
**To:** Suzette Kotze  
**Subject:** RE: Draft APR Re-submission - January 2019

Goeiedag

Geen

Charlene

---

**From:** Suzette Kotze  
**Sent:** 01 February 2019 07:55  
**To:** Charlene Eyssen <ceyssen@langeberg.gov.za>  
**Cc:** Anton Everson <AEverson@langeberg.gov.za>; Celeste Matthys <CMatthys@langeberg.gov.za>  
**Subject:** FW: Draft APR Re-submission - January 2019

Charlene, bevestig asseblief.

---

**From:** Celeste Matthys  
**Sent:** 31 January 2019 19:13  
**To:** Duwayne Lakey <dlakey@langeberg.gov.za>; Willemien Marais <WMarais@langeberg.gov.za>; Willy-John Gordon <wgordon@langeberg.gov.za>; Suzette Kotze <SKotze@langeberg.gov.za>  
**Cc:** Anton Everson <AEverson@langeberg.gov.za>  
**Subject:** Fw: Draft APR Re-submission - January 2019

Good evening all

We should please start with oversight report for MPAC

I need your assistance as follow please

1. Willy john please do screen's hot of the placement of annual report and how many times downloaded. If any comments left on website. How many face ook comments or how many times shared
2. Ms Kotze bevestig asb of enige skrifelike kommentaar deur administrasie ontvang was..
3. Duwayne and willimien start with the draft oversight report for submission to me by Monday

Regardz  
Celeste

Sent from my Huawei phone

----- Original Message -----