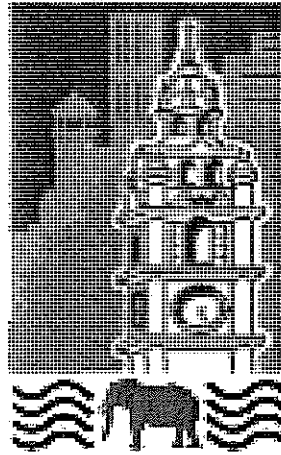


CITY OF CHOICE



**PIETERMARITZBURG
MSUNDUZI**

**OVERSIGHT REPORT
MSUNDUZI MUNICIPALITY**

FOR THE FINANCIAL YEAR 2012/2013



Councillors:

**Chairperson of the Municipal Public Accounts Committee
Councillor M Tarr**

**Councillor R Ashe
Councillor N Atwaru
Councillor SI Madonda
Councillor Matiwane
Councillor SC Ndawonde
Councillor TP Ngcobo
Councillor PG Ngidi
Councillor TD Ntombela
Councillor RB Singh
Councillor MS Sokhela
Councillor R Soobiah**

Administrative Support:

**Ms Madeleine Jackson-Plaatjies, Manager: Office of the Municipal Manager
Mr Indrasen Chetty, Manager: Strategic Analysis and Research (Acting)
Mr Sicelobuhle Nene: Intern, Office of the Municipal Manager
Mrs Nomthandazo Sikhakhane: Municipal Manager's Representative
Mrs Bongiwe Nxumalo: Committee Officer**

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1. INTRODUCTION

The Municipal Finance Management Act (MFMA) assigns specific oversight responsibilities to Council in respect of the Annual Report and the preparation of an Oversight Report.

Given the processes required by Council to effectively undertake its oversight role, the establishment of a Municipal Public Accounts Committee of Council will provide the appropriate mechanism in which Council could fulfill its oversight responsibilities.

The Municipal Public Accounts Committee's primary role is to consider the Annual Report, receive input from the various role players and to prepare a draft Oversight Report for consideration by Council.

2. BACKGROUND

The oversight role of Council is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between Council, the Executive (Mayor and Executive Committee) and Administration. Good governance, effective accountability, and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.

Non-executive Councillors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the Executive (Mayor/Executive Committee). In other words, in exchange for the powers in which Council have delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the municipality.

The Municipal Finance Management Act, No.56 of 2003 (MFMA) vests in Council specific powers of approval and oversight.

- ✓ Approval of budgets;
- ✓ Approval of Budget related Policies; and
- ✓ Review of the Annual Report and adoption of the Oversight Report.

3. FUNCTIONS OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The functions of the Municipal Public Accounts Committee are to:

- ✓ Undertake the review and analysis of the Annual Report.
- ✓ Invite, receive, and consider input from Councillors and Portfolio Committees, on the Annual Report.
- ✓ Consider written comments received in respect of the Annual Report from the public consultation process.
- ✓ Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report.
- ✓ Receive and consider Council's Audit Committee views and comments on the annual financial statements and the performance report.
- ✓ Preparation of the draft Oversight Report, taking into consideration, the views and input of the public, representative(s) of the Auditor-General, organs of state, Council's Audit Committee and Councillors.

4. COMPOSITION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

4.1 Membership

The Municipal Public Accounts Committee is a committee of Council established under section 79 of the Municipal Structures Act, 1998. Section 79, allows for the co-option of advisory members to a Committee of Council, who are not members of the Council.

Due to the separation of roles and responsibilities, between Council and the Executive (Mayor and Executive Committee) it is not appropriate that members of the Executive Committee be members of the Oversight Committee.

4.2 Authority & Power

The Municipal Public Accounts Committee is delegated the responsibility to conduct meetings and to hold public hearings to receive and hear public submissions on the Annual Report, on behalf of Council.

Timely notice of all meetings should be given and all meetings held by the Municipal Public Accounts Committee must be open to the public and minutes of the meetings must be submitted to Council meetings.

4.3 Meeting Schedule

The Annual Report 2012/2013 submitted to Council at its meeting held on the 30th of January 2014, was referred to the Municipal Public Accounts Committee subject to minor amendments to the Report. The community was advised through the print media of the availability of the Annual Report and were invited to submit representations on the report (**refer attached annexure 'A'**)

The Annual Report was available at all Area Based Management (ABM) satellite offices in the 5 Zones, all 9 libraries within the municipality, the municipal Information Centre at City Hall and the office of the Municipal Manager. It was also placed on the Msunduzi Municipality website (www.msunduzi.gov.za). At the closing date for public submissions of concerns on the Annual Report, 27th of February 2014, *no* submissions were received. The Public were invited to the tabling of the Oversight Report to Council on 26th of March 2014.

5. THE OVERSIGHT REPORT

This Oversight Report is for the financial year ended 30th June 2013. The Annual Report 2012/2013 was presented to Council on the 30th of January 2014. Meetings of the Oversight Committee were scheduled and held as follows:

No.	Date	Item/ Business Unit
1.	7 February 2014	Introductory Meeting
2.	12 February 2014	Economic Development
3.	12 February 2014	Community Services
4.	3 March 2014	Financial Services
5.	3 March 2014	Infrastructure Services
6.	12 March 2014	Corporate Services
7.	12 March 2014	CBU (Offices of the Mayor, Speaker, MM and Internal Audit & Oversight Report Checklist
8.	19 March 2014	Confirmation of Minutes of previous meetings, Draft Oversight Report, Review of amended Annual Report 2012/2013
9.	26 March 2014	Presentation of Oversight report to Council

All Deputy Municipal Managers were requested to attend the meetings of the Oversight Committee on the respective relevant dates.

7 FEBRUARY 2014 – INTRODUCTORY MEETING

REFER ANNEXURE 'B'

This was an introductory meeting which included a general presentation outlining the Oversight process and requirements. Members were advised that invitations to meetings of the Municipal Public Accounts Committee were sent to all Deputy Municipal Managers. It was stated that reminders will also be forwarded at the end of the current meeting.

12 FEBRUARY 2014 – ECONOMIC DEVELOPMENT

REFER ANNEXURE 'C'

The following sections were dealt with in the Economic Development section:

- Housing
- Planning and development
- Local Economic development
- Building control & signage

- Airport
- Market

Various amendments within each process unit were requested to be made and submitted to the Organizational Performance Management Office prior to the final print of the Annual Report.

12 FEBRUARY 2014 – COMMUNITY SERVICES

REFER ANNEXURE 'D'

The following sections were dealt with in the Community Services section:

- Environmental Health
- Health
- Waste management
- Libraries
- Art Gallery
- Theatres and halls
- Bio-diversity and landscape
- Sports and recreation
- Traffic, safety and security
- Disaster management

Various amendments within each process unit were requested to be made and submitted to the Organizational Performance Management Office prior to the final print of the Annual Report.

03 MARCH 2014 – FINANCIAL SERVICES

REFER ANNEXURE 'E'

The following sections were dealt with in the Financial Services section:

- Financial services
- Supply Chain Management

Various amendments within each process unit were requested to be made and submitted to the Organizational Performance Management Office prior to the final print of the Annual Report.

In addition, a concern was raised regarding the shortage of staff in the Municipality which led to a negative impact on production as well as performance.

03 MARCH 2014 – INFRASTRUCTURE SERVICES

REFER ANNEXURE 'F'

The following sections were dealt with in the Infrastructure Services section:

- Water services
- Sanitation services
- Electricity
- Waste management (landfill site)
- Roads
- Transport planning
- Municipal Fleet
- Municipal Infrastructure Grant (MIG)

Various amendments within each process unit were requested to be made and submitted to the Organizational Performance Management Office prior to the final print of the Annual Report.

In addition, the Municipal Public Accounts Committee requested that all tables within the Annual Report must be numbered and where contiguous tables continue on a following page, this must clearly state so by means of the insertion of the phrase *'table continued overleaf'*.

12 MARCH 2014 – CORPORATE SERVICES

REFER ANNEXURE 'G'

The following sections were dealt with in the Corporate Services section:

- By-laws
- Political governance
- Human Resource service
- ICT
- Organisation Development Performance
- Capacitating the municipal workforce

Various amendments within each process unit were requested to be made and submitted to the Organizational Performance Management Office prior to the final print of the Annual Report.

12 MARCH 2014 – CORPORATE BUSINESS UNIT
REFER ANNEXURE 'H'

The following sections were dealt with in the Corporate Business Unit section:

- Office of the Speaker
- Internal Audit
- Office of the Municipal Manager
- Office of the Mayor
- Annual Report Checklist

Various amendments within each section were requested to be made and submitted to the Organizational Performance Management Office prior to the final print of the Annual Report.

19 MARCH 2014 – MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEETING (DRAFT
REPORT)
REFER ANNEXURE 'I'

The following matters were dealt with at the meeting:

- Confirmation of Minutes of previous meetings
- Draft Oversight Report
- Review of amended Annual Report 2012/2013

6. ANNUAL REPORT CHECKLIST

The following checklist, issued by the National Treasury, was used to determine that all the requisite content is/is not contained in the Annual Report 2012/2013:

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
Cover				
1	Logo	1		Front Cover
2	Year	1		Front Cover
3	Website	1		Back Cover
4	Other Contact Details	1		Back Cover
Preface				
Chapter 1				
1.1.1	Mayor's Forward	1		Page 5
1.1.2	Municipal Manager's Overview	1		Page 7
1.1.3	Municipal Functions, Population and Environmental Overview	1		Page 11
1.1.4	Population Details	1		Page 11
1.1.5	Socio Economic Status	1		Page 11
1.1.6	Over view of neighborhoods within Municipality	1		Page 11
1.1.7	Natural Resources		0	Not included. To be included in the 13/14 AR
1.1.8	Comment on background data	1		Page 15
1.1.9	Service Delivery Overview	1		Page 16
1.1.10	Proportion of houses with access to basic Services	1		Page 12 - 13

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
1.1.11	Comment on access to basic services	1		Page 17
1.1.12	Financial Health Overview	1		Page 17
1.1.13	Financial Overview	1		Page 17
1.1.14	Operating Ratios	1		Page 17
1.1.15	Comments on Operating Ratios	1		Page 17
1.1.16	Total Capital Expenditure	1		Page 18
1.1.17	Comment on Capital Expenditure	1		Page 18
1.1.18	Organisational Development Overview	1		Page 18
1.1.19	Auditor General Report	1		Page 20
1.1.20	Annual Report Process Plan	1		Page 20
1.1.21	Comment on the Annual Report Process	1		Page 20 - 21
Chapter 2				
2.1.1	Introduction to Governance	1		Page 22
2.1.2	Political & Administrative Governance	1		Page 22
2.1.3	Political Governance	1		Page 22
2.1.4	Political Structure	1		Page 23
2.1.5	Councillors	1		Page 24
2.1.6	Political Decision Taking	1		Page 43
2.1.7	Introduction to Administrative Governance	1		Page 44
2.1.8	Top Administrative Structure	1		Page 46
2.1.9	Intergovernmental Relations	1		Page 47
2.1.10	National Intergovernmental Structures	1		Page 47
2.1.11	Provincial Intergovernmental Structures	1		Page 47
2.1.12	Relationships with Municipal Entities	1		Page 48
2.1.13	District Inter-governmental Structures	1		Page 48
2.1.14	Overview of Public Accountability and Participation	1		Page 48

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
2.1.15	Communication, participation and forums	1		Page 48
2.1.16	Councillors	1		Page 23
2.1.17	Public Meetings	1		Page 50
2.1.18	Comments on the effectiveness of public meetings	1		Page 113
2.1.19	IDP Participation and Alignment criteria	1		Page 113
2.1.20	Corporate Governance	1		Page 113
2.1.21	Risk Management	1		Page 113
2.1.22	Fraud and Anti-Corruption Strategy	1		Page 116
2.1.23	Overview Supply Chain Management	1		Page 117
2.1.24	By-Laws introduced	1		Page 124
2.1.25	Comment on By-Laws	1		Page 124
2.1.26	Websites and Currency of materials	1		Page 124
2.1.27	Comment on municipal website content and access	1		Page 126
2.1.28	Public Satisfaction Levels	1		Page 126
2.1.29	Satisfaction surveys undertaken		0	No public satisfaction surveys were undertaken in 12/13
2.1.30	Comment on satisfaction level		0	No public satisfaction surveys were undertaken in 12/13
Chapter 3				
3.1.1	Service Delivery Performance	1		Page 127
3.1.2	Basic Services	1		Page 128
3.1.3	Introduction to Water provision	1		Page 128
3.1.4	Total use of water by sector	1		Page 130
3.1.5	Total use of water by sector - graphic	1		Page 131
3.1.6	Comment on use of water by sector	1		Page 131

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.7	Water Service delivery levels	1		Page 131
3.1.8	Households - Water Service Delivery Levels below the minimum	1		Page 132
3.1.9	Access To Water	1		Page 132
3.1.10	Water Service Policy Objectives Taken From IDP	1		Page 133
3.1.11	Employees: Water Services	1		Page 134
3.1.12	Financial Performance 2012/13: Water Services	1		Page 134
3.1.13	Capital Expenditure 2012/13: Water Services	1		Page 135
3.1.14	Comment on Water Services Performance overall	1		Page 135
3.1.15	Waste water (Sanitation) provision	1		Page 135
3.1.16	Sanitation/Sewerage Graphic	1		Page 136
3.1.17	Sanitation Service Delivery Levels	1		Page 136
3.1.18	Households - Sanitation Service Delivery Levels below the minimum	1		Page 137
3.1.19	Access To Sanitation	1		Page 138
3.1.20	Waste Water (Sanitation) Service Policy Objectives Taken From IDP	1		Page 138
3.1.21	Employees: Sanitation Services	1		Page 139
3.1.22	Financial Performance 2012/13: Sanitation Services	1		Page 139
3.1.23	Capital Expenditure 2012/13: Sanitation Services	1		Page 139
3.1.24	Comment on Sanitation	1		Page 139
3.1.25	Introduction to Electricity	1		Page 140
3.1.26	Electricity service delivery levels	1		Page 141
3.1.28	Electricity Service Policy Objectives Taken From IDP	1		Page 141
3.1.29	Employees: Electricity Services	1		Page 142
3.1.30	Financial Performance 2012/13: Electricity Services	1		Page 142
3.1.31	Capital Expenditure 2008/0911/12: Electricity Services	1		Page 143
3.1.32	Comment on Electricity Performance	1		Page 143
3.1.33	Introduction to Waste Management	1		Page 143

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.34	Solid Waste Service Delivery Levels	1		Page 144
3.1.35	Households - Solid Waste Service Delivery Levels below the minimum	1		Page 144
3.1.36	Solid Waste Service Policy Objectives Taken From IDP	1		Page 145
3.1.37	Employees: Solid Waste Management Services	1		Page 147
3.1.38	Employees: Waste Disposal and Other Services	1		Page 145
3.1.39	Financial Performance 2012/13: Solid Waste Management Services	1		Page 147
3.1.40	Financial Performance 2012/13: Waste Disposal and Other Services	1		Page 145
3.1.41	Capital Expenditure 2012/13: Waste Management Services	1		Page 147
3.1.42	Comment on Waste Management Service Performance	1		Page 147
3.1.43	Introduction to Housing	1		Page 148
3.1.44	Percentage of households with access to basic housing	1		Page 148
3.1.45	Housing Service Policy Objectives Taken From IDP	1		Page 149
3.1.46	Employees: Housing Services	1		Page 149
3.1.47	Financial Performance 2012/13: Housing Services	1		Page 149
3.1.48	Capital Expenditure 2012/13: Housing Services	1		Page 149
3.1.49	Comment on Housing Service Performance	1		Page 150
3.1.50	Introduction to Free Basic Services and Indigent Support	1		Page 152
3.1.51	Free Basic Services To Low Income Households	1		Page 152
3.1.52	Financial Performance 2012/13: Cost to Municipality of Free Basic Services Delivered	1		Page 152
3.1.53	Free Basic Service Policy Objectives Taken From IDP	1		Page 153
3.1.54	Comment of Free Basic Services and Indigent Support	1		Page 153
3.1.55	Introduction to Roads Transport	1		Page 153
3.1.56	Gravel Road Infrastructure	1		Page 154
3.1.57	Asphalted Road Infrastructure	1		Page 154
3.1.58	Cost of Construction/Maintenance	1		Page 154
3.1.59	Road Infrastructure Cost	1		Page 154

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.60	Roads Policy Objectives Taken From IDP	1		Page 155
3.1.61	Employees: Road Services	1		Page 155
3.1.62	Financial Performance 2012/13: Road Services	1		Page 155
3.1.63	Capital Expenditure 2012/13: Road Services	1		Page 156
3.1.64	Comments on Performance of Roads	1		Page 157
3.1.65	Introduction to Transport	1		Page 157
3.1.66	Municipal Bus Service Data		0	The municipality does not provide any bus/transport services
3.1.67	Transport Service Policy Objectives Taken From IDP	1		Page 158
3.1.68	Employees: Transport Services	1		Page 158
3.1.69	Financial Performance 2012/13: Transport Services	1		Page 158
3.1.70	Capital Expenditure 2012/13: Transport Services	1		Page 158
3.1.71	Comment on the Performance of Transportation	1		Page 159
3.1.72	Introduction to Stormwater drainage	1		Page 159
3.1.73	Stormwater Infrastructure	1		Page 159
3.1.74	Cost of Construction/Maintenance	1		Page 160
3.1.75	Stormwater Policy Objectives Taken From IDP	1		Page 160
3.1.76	Employees: Stormwater Services	1		Page 160
3.1.77	Financial Performance 2012/13: Stormwater Services	1		Page 160
3.1.78	Capital Expenditure 2012/13: Stormwater Services	1		Page 160
3.1.79	Comments on Performance of Stormwater drainage	1		Page 160
3.1.80	Planning and Development	1		Page 163
3.1.81	Introduction to Planning	1		Page 163
3.1.82	Applications for Land Use Development	1		Page 163
3.1.83	Planning Policy Objectives Taken From IDP	1		Page 164
3.1.84	Employees: Planning Services	1		Page 164

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.85	Financial Performance 2012/13: Planning Services	1		Page 164
3.1.86	Capital Expenditure 2012/13: Planning Services	1		Page 164
3.1.87	Comments on Performance on Physical Planning	1		Page 165
3.1.88	Introduction to Local Economic Development	1		Page 165
3.1.89	Economic Activity by Sector	1		Page 165
3.1.90	Economic Employment by Sector	1		Page 166
3.1.91	Comment on Local Job Opportunities	1		Page 166
3.1.92	Jobs Created during 2012/13 by LED Initiatives (Excluding EPWP projects)	1		Page 166
3.1.93	Job creation through EPWP* projects	1		Page 166
3.1.94	Local Economic Development Policy Objectives Taken From IDP	1		Page 166
3.1.95	Employees: Local Economic Development Services	1		Page 167
3.1.96	Financial Performance 2012/13: Local Economic Development Services	1		Page 168
3.1.97	Capital Expenditure 2012/13: Economic Development Services	1		Page 168
3.1.98	Comment on Local Economic Development Performance	1		Page 168
3.1.99	Introduction to Community & Social Services	1		Page 176
3.1.100	Introduction to Libraries, Archives, Museums, Galleries, Community Facilities, Zoos, etc	1		Page 176
3.1.101	Service Statistics to Libraries, Archives, Museums, Galleries, Community Facilities, Zoos, etc	1		Page 177
3.1.102	Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP	1		Page 177
3.1.103	Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other	1		Page 177
3.1.104	Financial Performance 2012/13: Libraries; Archives; Museums; Galleries; Community Facilities; Other	1		Page 177
3.1.105	Capital Expenditure 2012/13: Libraries; Archives; Museums; Galleries; Community Facilities; Other	1		Page 178
3.1.106	Comments on Performance of Libraries; Archives; Museums; Galleries; Community Facilities; Other	1		Page 178

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CCNTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.107	Introduction to Cemeteries and Crematoriums	1		Page 180
3.1.108	Service Statistics for Cemeteries and Crematoriums	1		Page 180
3.1.109	Cemeteries and Crematoriums Policy Objectives Taken From IDP	1		Page 181
3.1.110	Employees: cemeteries and Crematoriums	1		Page 181
3.1.111	Financial Performance 2012/13: cemeteries and Crematoriums	1		Page 181
3.1.112	Capital Expenditure 2012/13: cemeteries and Crematoriums	1		Page 182
3.1.113	Comments on Performance of Cemeteries and Crematoriums	1		Page 182
3.1.114	Child care: Aged care and Social Programmes		0	The municipality does not provide any services pertaining to child care. This function is carried out by the Department of Social Development
3.1.115	Service Statistics for Child Care		0	
3.1.116	Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP		0	
3.1.117	Employees: Child Care; Aged Care; Social Programmes		0	
3.1.118	Financial Performance 2012/13: Child Care; Aged Care; Social Programmes		0	
3.1.119	Capital Expenditure 2012/13: Child Care; Aged Care; Social Programmes (		0	
3.1.120	Comments on Child care: Aged care and Social Programmes		0	
3.1.121	Introduction to Environmental Protection	1		Page 182
3.1.122	Introduction to Pollution Control	1		Page 182
3.1.123	Service Statistics for Pollution Control	1		Page 182
3.1.124	Pollution Control Policy Objectives Taken From IDP	1		Page 182
3.1.125	Employees: Pollution Control	1		Page 184
3.1.126	Financial Performance 2012/13: Pollution Control	1		Page 184
3.1.127	Capital Expenditure 2012/13: Pollution Control	1		Page 184
3.1.128	Comment of Performance of Pollution Control	1		Page 184
3.1.129	Biodiversity, Landscape and Other	1		Page 185
3.1.130	Service Statistics for Biodiversity, Landscape and Other	1		Page 185
3.1.131	Bio-Diversity; Landscape and Other Policy Objectives Taken From IDP	1		Page 186
3.1.132	Employees: Bio-Diversity; Landscape and Other	1		Page 186

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.133	Financial Performance 2012/13: Bio-Diversity; Landscape and Other	1		Page 186
3.1.134	Capital Expenditure 2012/13: Bio-Diversity; Landscape and Other	1		Page 187
3.1.135	Comments on the Performance of Bio-Diversity; Landscape and Other	1		Page 187
3.1.136	Introduction to Health		0	No clinic services provided by the Municipality, it is now provided by the Provincial Department of Health
3.1.137	Introduction to Clinics		0	
3.1.138	Service Data for Clinics		0	
3.1.139	Clinics Policy Objectives Taken From IDP		0	
3.1.140	Employees: Clinics		0	
3.1.141	Financial Performance 2012/13: Clinics		0	
3.1.142	Capital Expenditure 2012/13: Clinics		0	
3.1.143	Comment on the Performance of the Clinics		0	No ambulance services provided by the Municipality, it is provided by the Provincial Department of Health
3.1.144	Introduction to Ambulance Services		0	
3.1.145	Ambulance Service Data		0	
3.1.146	Ambulances Policy Objectives Taken From IDP		0	
3.1.147	Employees: Ambulances		0	
3.1.148	Financial Performance 2012/13: Ambulances		0	
3.1.149	Capital Expenditure 2012/13: Ambulances		0	
3.1.150	Comment on the Performance of the Ambulances		0	
3.1.151	Health Inspection; Food and Abattoir licensing and Inspection	1		Page 182
3.1.152	Service Statistics for Health Inspection	1		Page 182
3.1.153	Health Inspection, Etc Policy Objectives Taken From IDP	1		Page 182
3.1.154	Employees: Health Inspectors	1		Page 184
3.1.155	Financial Performance 2012/13: Health Inspectors	1		Page 184
3.1.156	Capital Expenditure 2012/13: Health Inspectors	1		Page 184
3.1.157	Comment on the Performance of the Health Inspection	1		Page 184
3.1.158	Introduction to Safety and Security	1		Page 187

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013

FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.159	Introduction to Traffic, Safety and Security	1		Page 187
3.1.160	Traffic, Safety and Security Service Data	1		Page 187
3.1.161	Traffic, Safety and Security Policy Objectives Taken From IDP	1		Page 187
3.1.162	Employees: Traffic, Safety and Security	1		Page 188
3.1.163	Financial Performance 2012/13: Traffic, Safety and Security	1		Page 188
3.1.164	Capital Expenditure 2012/13: Traffic, Safety and Security	1		Page 188
3.1.165	Comments on Performance of Traffic, Safety and Security	1		Page 188
3.1.166	Introduction to Fire Service	1		Page 188
3.1.167	Fire Service Data	1		Page 189
3.1.168	Fire Service Policy Objectives Taken From IDP	1		Page 189
3.1.169	Employees: Fire Services	1		Page 189
3.1.170	Financial Performance 2010/11: Fire Services	1		Page 190
3.1.171	Capital Expenditure 2010/11: Fire Services	1		Page 190
3.1.172	Comments on Performance of Fire Services	1		Page 190
3.1.173	Introduction to Disaster Management, Animal Licensing and control, Control of Public Nuisance , etc	1		Page 190
3.1.174	Service Statistics for Disaster Management, Animal Licensing and control, Control of Public Nuisance , etc	1		Page 191
3.1.175	Disaster Management, etc Policy Objectives Taken From IDP	1		Page 191
3.1.176	Employees: Disaster Management, Animal Licensing and control, Control of Public Nuisance	1		Page 191
3.1.177	Financial Performance 2012/13: Disaster Management, etc	1		Page 191
3.1.178	Capital Expenditure 2012/13: Disaster Management, etc	1		Page 192
3.1.179	Comments on Performance of Disaster Management, etc	1		Page 192
3.1.180	Introduction to Sports & Recreation	1		Page 192
3.1.181	Service Statistics for Sports & Recreation	1		Page 192

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013

FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
3.1.182	Sport and Recreation Policy Objectives Taken From IDP	1		Page 192
3.1.183	Employees: Sport and Recreation	1		Page 193
3.1.184	Financial Performance 2012/13: Sport and Recreation	1		Page 193
3.1.185	Capital Expenditure 2012/13: Sport and Recreation	1		Page 193
3.1.186	Comment on the Performance of Sports & Recreation	1		Page 194
3.1.187	Introduction to Corporate Policy Offices, etc	1		Page 194
3.1.188	Introduction to Executive & Council	1		Page 194
3.1.189	Service Statistics for Executive & Council	1		Page 194
3.1.190	The Executive and Council Policy Objectives Taken From IDP	1		Page 195
3.1.191	Employees: The Executive and Council	1		Page 196
3.1.192	Financial Performance 2012/13: The Executive and Council	1		Page 196
3.1.193	Capital Expenditure 2012/13: The Executive and Council	1		Page 196
3.1.194	Comment on the Performance of Executive & Council	1		Page 196
3.1.195	Introduction to Financial Services	1		Page 196
3.1.196	Debt Recovery	1		Page 197
3.1.197	Financial Service Policy Objectives Taken From IDP	1		Page 199
3.1.198	Employees: Financial Services	1		Page 199
3.1.199	Financial Performance 2012/13: Financial Services			Page 200
3.1.200	Capital Expenditure 2012/13: Financial Services	1		Page 200
3.1.201	Comment on Performance of Financial Services	1		Page 200
3.1.202	Introduction to Human Resource Services	1		Page 200
3.1.203	Service Statistics for Human Resource Services		0	The HR sections does not provide a service to the public, therefore no service statistics are included.
3.1.204	Human Resource Services Policy Objectives Taken From IDP	1		Page 202

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013			
FORMAT AND CONTENTS		Yes = 1	No = 0
3.1.205	Employees: Human Resource Services	1	
3.1.206	Financial Performance 2012/13: Human Resource Services	1	
3.1.207	Capital Expenditure 2012/13: Human Resource Services	1	
3.1.208	Comment on Performance of Human Resource Services	1	
3.1.209	Introduction to Information & Communication Technology Services	1	
3.1.210	Service Statistics for ITC Services	1	
3.1.211	ICT Services Policy Objectives Taken From IDP	1	
3.1.212	Employees: ICT Services	1	
3.1.213	Financial Performance 2012/13: ICT Services	1	
3.1.214	Capital Expenditure 2012/13: ICT Services	1	
3.1.215	Comment on Performance of ICT Services	1	
3.1.216	Property, Legal Risk Management & Procurement Services	1	
3.1.217	Service Statistics Property, Legal Risk Management & Procurement Services	1	
3.1.218	Property; Legal; Risk Management; and Procurement Services Policy Objectives Taken From IDP	1	
3.1.219	Employees: Property; Legal; Risk Management; and Procurement Services	1	
3.1.220	Financial Performance 2011/2012: Property; Legal; Risk Management; and Procurement Services	1	
3.1.221	Capital Expenditure 2011/2012: Property; Legal; Risk Management; and Procurement Services	1	
3.1.222	Comment on Performance of Property; Legal; Risk Management; and Procurement Services	1	
3.1.223	Introduction to Miscellaneous		0
3.1.224	Organisational Performance Scorecard	1	
Chapter 4			
4.1.1	Introduction to Organisational Performance Development	1	

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
4.1.2	Introduction to Municipal Personnel	1		Page 218
4.1.3	Vacancy Rate 2012/13	1		Page 220
4.1.4	Turn-over Rate	1		Page 221
4.1.5	Comments on Vacancies and Turnover	1		Page 221
4.1.6	Introduction to Municipal Workforce Management	1		Page 221
4.1.7	HR Policies and Plans	1		Page 223
4.1.8	Comment on Workforce Policy Development	1		Page 224
4.1.9	Number and Cost of Injuries on Duty	1		Page 224
4.1.10	Number of days and Cost of Sick Leave (excluding injuries on duty)	1		Page 224
4.1.11	Average Number of Days of Sick Leave (Graphic)	1		Page 225
4.1.12	Comment on Injury and Sick Leave	1		Page 225
4.1.13	Number and Period of Suspensions	1		Page 226
4.1.14	Disciplinary Action Taken on Cases of Financial Misconduct	1		Page 226
4.1.15	Comment on Cases of Financial Misconduct	1		Page 226
4.1.16	Performance Rewards By Gender	1		Page 227
4.1.17	Comment on Performance Rewards	1		Page 228
4.1.18	Introduction to workforce Capacity Development	1		Page 228
4.1.19	Skills Matrix	1		Page 228
4.1.20	Financial Competency Development: Progress Report*	1		Page 230
4.1.21	Skills Development Expenditure	1		Page 231
4.1.22	Comment on Skills Development and related expenditure and on the Financial Competency Regulations	1		Page 231
4.1.23	Introduction to Workforce Expenditure	1		Page 231
4.1.24	Workforce Expenditure Trends (Graphic)		0	No graphical representation included, a table has been included

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013

FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
4.1.25	Comment of Workforce Expenditure	1		Page 231
4.1.26	Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded	1		Page 232
4.1.27	Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation	1		Page 232
4.1.28	Employees not appointed to posts not approved	1		Page 232
4.1.29	Comments on Upgraded posts and those that are variance with normal practice	1		Page 234
4.1.30	Disclosure of Financial Interests	1		Page 422
Chapter 5				
5.1.1	Introduction to Financial Performance	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.2	Introduction to Financial Statements	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.3	Financial Summary	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.4	Financial Performance of Operational Services	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.5	Comment on Financial Performance	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.6	Grant Performance	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.7	Comment on Operating Transfers and Grants	1		Included as part of AFS - Chapter 4 page 238 - 353

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
5.1.8	Grants Received From Sources Other Than Division of Revenue Act (DORA)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.9	Comments on Conditional Grants and Grants received from other sources	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.10	Introduction to Asset Management	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.11	Treatment of the three largest Assets acquired	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.12	Comment on Asset Management	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.13	Repair and Maintenance Expenditure 2012/13	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.14	Comment on Repairs and Maintenance Expenditure	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.15	Liquidity Ratios	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.16	Cost Coverage	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.17	Total Outstanding Service Debtors (Graphic)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.18	Debt Coverage(Graphic)	1		Included as part of AFS - Chapter 4 page 238 -

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
				353
5.1.19	Creditors System Efficiency (Graphic)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.20	Capital Charges to Operating Expenditure (Graphic)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.21	Employee Costs (Graphic)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.22	Repairs & Maintenance (Graphic)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.23	Comment on Financial Ratios	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.24	Introduction to spending against Capital Budget	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.25	Capital Expenditure 2012/13 (Graphic)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.26	Capital Expenditure - Funding Sources 2010/11 - 2012/13	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.27	Comment on Sources of Funding	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.28	Capital Expenditure of 5 largest projects*	1		Included as part of AFS - Chapter 4 page 238 - 353

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
5.1.29	Comment on Capital Projects	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.30	Introduction to Basic Service and Infrastructure Backlogs	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.31	Service Backlogs as at 30 June 2012	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.32	Municipal Infrastructure Grant (MIG)* Expenditure 2012/13 on Service backlogs	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.33	Comment on Backlogs	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.34	Introduction to Cash Flow Management and Investments	1		Included as part of AFS - Chapter 4 page 238 - 353
		1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.35	Cash Flow Outcomes	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.36	Comments on Cash Flow	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.37	Introduction to Borrowings and Investments	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.38	Actual Borrowings 2010/11 - 2012/13	1		Included as part of AFS - Chapter 4 page 238 -

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
				353
5.1.39	Actual Borrowings (Graphic)	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.40	Municipal and Entity Investments	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.41	Comment on Borrowing and Investments	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.42	Public Private Partnerships	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.43	Supply Chain Management	1		Included as part of AFS - Chapter 4 page 238 - 353
5.1.44	GRAP Compliance	1		Included as part of AFS - Chapter 4 page 238 - 353
Chapter 6				Included as part of AFS - Chapter 4 page 238 - 353
6.1.1	Introduction to Auditor General Audit Findings	1		Included as part of AFS - Chapter 4 page 238 - 353
6.1.2	Auditor-General Report on Financial Performance 2012/13	1		Included as part of AFS - Chapter 4 page 238 - 353
6.1.3	Auditor-General Report on Service Delivery Performance 2012/13	1		Included as part of AFS - Chapter 4 page 238 - 353

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
6.1.4	Auditor-General Report on Service Delivery Performance 2012/13*	1		Included as part of AFS - Chapter 4 page 238 - 353
6.1.5	Auditor General Report on Financial Statements	1		Included as part of AFS - Chapter 4 page 238 - 353
6.1.6	Comment on the Auditor General's Opinion 2012/13	1		Included as part of AFS - Chapter 4 page 238 - 353
6.1.7	Comments on the MFMA Section 71 Responsibilities	1		Included as part of AFS - Chapter 4 page 238 - 353
Appendices				
A	Councillors, Committees Allocated and Council Attendance	1		Page 24
B	Committees (other than Mayoral / Executive Committee) and Purposes of Committees	1		Page 26
C	Third Tier Structure	1		Page 46 - 47
D	Municipal / Entity Functions	1		Chapter 5 Page 354
E	Functionality of Ward Committees	1		Page 49, 71 - 113
F	Ward Title: Ward Name (Number)	1		Page 50 - 70
F	Basic Service Provision	1		Page 130
F	Top Four Service Delivery Priorities for Ward (Highest Priority First)	1		Page 387
G	Municipal Audit Committee Recommendations	1		Page 407
H	Long Term Contracts (20 Largest Contracts Entered into 2012/13)	1		Page 212
H	Public Private Partnerships Entered into 2012/13	1		Page 212
I	Municipal Entity/Service Provider Performance Schedule	1		Chapter 5 Page 354
J	Disclosures of Financial Interests	1		Page 422

MSUNDUZI MUNICIPALITY ANNUAL REPORT CHECKLIST 2012/2013				
FORMAT AND CONTENTS		Yes = 1	No = 0	Comments/Page No.
K	Revenue Collection Performance by Vote	1		Included as part of AFS - Chapter 4 page 238 - 353
K	Revenue Collection Performance by Source	1		Included as part of AFS - Chapter 4 page 238 - 353
L	Conditional Grants: excluding MIG	1		Included as part of AFS - Chapter 4 page 238 - 353
M	Capital Expenditure - New Assets Programme*	1		Page 391
M	Capital Expenditure - Upgrade/Renewal Programme*	1		Page 391
N	Capital Programme by Project 2012/13	1		Page 391

7. CONCLUSION

The numerous requirements of so many legislative mandates, makes it difficult to achieve an unqualified report, a feat that very few municipalities achieve in South Africa. This achievement is recognised by the Municipal Public Accounts Committee.

The Municipal Public Accounts Committee commends Council, the Municipal Manager, the Senior Managers and all staff at Msunduzi Municipality on the strides made towards good governance. However, much needs to be done in planning and reporting on performance information and the 2013/2014 financial year must target focussed attention in this area.

Having performed the following tasks:

- ✓ Reviewed and analyzed the Annual Report;
- ✓ Invited, received, and considered input from Councillors, Portfolio Committees and Business Units, on the Annual Report;
- ✓ Considered that no written comments were received on the Annual Report from the public consultation process;
- ✓ Conducted Public Hearings to allow the local community or any organs of state to make representations on the Annual Report;
- ✓ Received, considered and effected amendments as well as dealt with various matters as per Council's Audit Committee views and comments on the annual financial statements and the performance report; and
- ✓ Prepared the draft Oversight Report, taking into consideration, the views and input of the public, representatives of the Auditor-General, organs of state, Council's Audit Committee and Councillors;

The Municipal Public Accounts Committee takes pleasure in presenting the Oversight Report to Council to consider the following resolutions:

IT IS RESOLVED TO RECOMMEND:

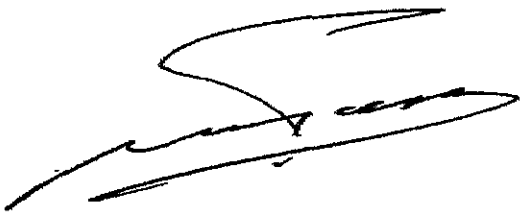
- 7.1. That, having fully considered the Annual Report of the Msunduzi Municipality for the 2012/2013 Financial Year, the Oversight Report for the 2012/2013 Financial Year be adopted; it being noted that the Municipal Public Accounts Committee however wishes to place on record that during the consultation and verification sessions held with the Business Units, a

large number of inconsistencies were identified in information that had been supplied for the publication of the Annual Report 2012/2013;

- 7.2. That Council approves the Annual Report of the Msunduzi Municipality for the 2012/2013 Financial Year without reservations, taking note of the matter mentioned on page 26 of the Annual Report in respect of the number of council meetings attended by Councillors and further resolves the following:
- 7.3. That the following resolutions (i-iii) be RATIFIED; as there were numerous errors noted in the 2012/13 Draft Annual Report:-
- (i) In future years prior to the production of the draft annual report each Deputy Municipal Manager will be required to sign an affidavit to the effect that all the information included in the report is a complete and true reflection of the activities of their business unit, having noted that this resolution was taken during the approval of the 2011/2012 Oversight Report and seems to have been ignored.
 - (ii) In future years the Deputy Municipal Manager: Finance will be responsible for the coordination and compilation of all financial tables and information and will be required to verify that all financial information for business units is consistent with the Annual Financial Statements, having noted that this resolution was taken during the approval of the 2011/2012 Oversight Report and seems to have been ignored.
 - (iii) In future years, the Deputy Municipal Manager: Corporate Services will be responsible for the coordination and compilation of all human resource related tables and information and will be required to verify that all human resources information for business units is correct, having noted that this resolution was taken during the approval of the 2011/2012 Oversight Report and seems to have been ignored.
- 7.4. That, in future, the Draft Annual Report be not tabled in Council if it is not accompanied by the signed Affidavits by the Deputy Municipal Managers affirming that all the information included in the report is a complete and true reflection of the activities of their business units.
- 7.5. That the Oversight Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act 56 of 2003.

- 7.6. That the 2012/2013 Annual Report and Oversight Report, including the minutes where the Annual Report was discussed, be submitted to the following Offices in terms of Section 129 (2) of the MFMA :-
- National Treasury;
 - Auditor General;
 - MEC: Cooperative Governance and Traditional Affairs;
 - MEC: Provincial Treasury;
- 7.7 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.
- 7.8. That, arising out of the proceedings of the Oversight Committee meetings, it be noted that the Committee does not believe there is any justification to pay performance bonuses for 2012/2013. However the committee must point out that in some cases the lack of performance can be directly attributed to serious staff shortages.

Respectfully Submitted:



Cllr M.A. Tarr
Chairperson: Municipal Public Accounts Committee

ANNEXURES

Annual Report

Annexure 'A' – Advertisement of Oversight Meetings and Invitation to submit written concerns on the Annual Report

Annexure 'B' – Minutes of the Municipal Public Accounts Committee Meeting, 7th February 2014, 09:00am

Annexure 'C' – Minutes of the Municipal Public Accounts Committee Meeting, 12th February 2014, 09:00am

Annexure 'D' – Minutes of the Municipal Public Accounts Committee Meeting, 12th February 2014, 14:15pm

Annexure 'E' – Minutes of the Municipal Public Accounts Committee Meeting, 03rd March 2014, 09:00am

Annexure 'F' – Minutes of the Municipal Public Accounts Committee Meeting, 03 March 2014, 14:15pm

Annexure 'G' – Minutes of the Municipal Public Accounts Committee Meeting, 12th March 2014, 09:00am

Annexure 'H' – Minutes of the Municipal Public Accounts Committee Meeting, 12th March 2014, 11:00am

Annexure 'I' – Minutes of the Municipal Public Accounts Committee Meeting, 19th March 2014, 09:00am



MSUNDUZI MUNICIPALITY



ISIFUNDAZWE SAKWAZULU-NATAL KZN225

AMALUNGU OMPHAKATHI AYAMENYWA UKWETHAMELA IMIHLANGANO YEKOMIDI ELIBHEKELE UKUSETSHENZISWA KWEZIMALI ZIKAMASIPALA WASEMSUNDUZI OZOKWENZIWA NGALEZIZINSUKU EZILANDELAYO:

- uLwesihlanu mhlaka 7 February 2014 ngo 09:00 ekuseni
- uLwesithathu mhlaka 12 February 2014 ngo 09:00 ekuseni, nango 14:15 ntambama
- uLwesithathu mhlaka 19 February 2014 ngo 09:00 ekuseni
- uLwesihlanu mhlaka 21 February 2014 ngo 09:00 ekuseni
- uLwesihlanu mhlaka 7 March 2014 ngo 09:00 ekuseni, nango 14:15 ntambama
- uLwesithathu mhlaka 12 March 2014 ngo 09:00 ekuseni, nango 14:15 ntambama
- uLwesithathu mhlaka 26 March 2014 ngo 14:00 ntambama (uMhlangano woMkhandlu lapho kuyokwethulwa khona uMbiko ngokuSetshenziswa kweziMali nguMasipala (Oversight Report))

Yonke lemihlangozi izokwenzelwa eGumbini loMkhandlu eHholo leDolophu, Imihlangano iyogala ekuseni ngo 09:00 eminye ntambama ngo 14:15 njengoba kubhaliwe ngenhla.

Ukwamukela i-Oversight Report lwona usomqulu ophelile umasipala abika ngawo izinhlelo zakhe zokusebenza. I-Oversight Report lwumgomo obekiwe ngokulandisa kwesiGatshana 129 soMthetho wokweNganyelwa kweziMali zoMasipala (MFMA), umkhandlu kufanele ukuba wamukele i-Oversight Report zingakapheli izinyanga ezimbili (2) emveni kokwethulwa koMbiko woNyaka (Annual Report).

Umbiko woNyaka (Annual Report) wa 2012/2013 kaMasipala Msunduzi wanikezwa uMkhandlu ngomhaka 29 January 2014, nomphakathi ungawuthola ukuze uwufunde, futhi ubhaliwe ngaphansi kweqoqo lesizinda solwazi (website) ethi www.msunduzi.gov.za amakhophi alombiko ayatholakala kulamahhovisi alandelayo:

IMHOVISI	OXHUMANI NAYE	IZINOMBOLO ZOKUXHUMANI
Vulindlela	Caleb Magubane/Ziningi Ndlela	033 505 0006
Ashburton	Balraj Roopan/Margaret Mntungwa	033 392 2380/1
Edendale	Emerald Buthelezi/Buyi Hlophe	033 392 3171/2
Imbali	Sasa Mngadi/Thabsile Khumalo	033 392 3619/22
Northern Areas	Anwar Hoosen/Xolani Ntshangase	033 397 0131/387 3168
City Hall	Scelo Nene	033 392 2209

Umphephakathi uyaziswa ukuthi izingxoxo mayelana ne-Annual Report ziyovuleleka emihlanganweni ebhaliwe ngenhla, kuyobe sekusungulwa i-Oversight Report, kwenziwe nezincomo eziyothunyelwa ukuba zamukelwe nguMkhandlu oPhelile.

Office of the Municipal Manager,

Ref: Annual Report 2012/2013

Private Bag X321,

Pietermaritzburg, 3200

Noma i-email ku: Email: madeleine.jackson@msunduzi.gov.za

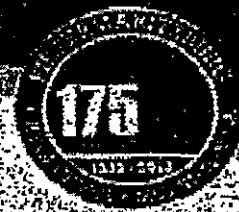
Usuku lokugcina lokwenza izeluleko uLwazi mhlaka 27 February 2014

M.A. NKOSI

MUNICIPAL MANAGER



MSUNDUZI MUNICIPALITY



PROVINCE OF KWAZULU-NATAL KZN225

MEMBERS OF THE PUBLIC ARE CORDIALLY INVITED TO ATTEND MSUNDUZI'S PUBLIC ACCOUNTS COMMITTEE MEETINGS AS FOLLOWS:

- Friday, 7th February 2014, 09:00
- Wednesday, 12th February 2014, 09:00 and 14:15
- Wednesday, 19th February 2014, 09:00
- Friday, 21st February 2014, 09:00
- Friday, 7th March 2014, 09:00 and 14:15
- Wednesday, 12th March 2014, 09:00 am and 14:15
- Wednesday, 26th March 2014, 14:00 (Council meeting at which the Oversight Report is to be presented)

All meetings will be held at the Council Chamber, City Hall. Meetings will commence at either 09:00 or 14:15 as per the above meeting plan.

The adoption of the Oversight Report is the final document in the reporting process of a municipality. The Oversight Report is a requirement in terms of Section 129 of the MFMA, and requires the council to adopt an Oversight Report, no later than 2 months after the tabling of the Annual Report.

Msunduzi Municipality's 2012 / 2013 Annual Report was tabled in Council on 29th January 2014 and is available for public viewing and has been published on the municipality's website www.msunduzi.gov.za. Copies are available at the following satellite offices:

Area Office	Contact Name/s	Contact Number/s
Vulindlela	Caleb Magubane / Ziningi Ndlela	033 605 0006
Ashburton	Balraj Roopan / Margaret Mtungwa	033 392 2380 / 1
Edendale	Emerald Buthelezi / Buyi Hlophe	033 392 3171 / 2
Imbali	Sasa Mngadi / Thabille Khumalo	033 392 3619 / 22
Northern Areas	Anwar Hoosen / Xolani Ntshangase	033 397 0131 / 387 3168
City Hall	Scelo Nene	033 392 2209

The public is hereby informed that consultation on the Annual Report will convene at the meetings as outlined above; thereafter, the Oversight Report will be developed and recommended to the Full Council for adoption.

The public is invited to submit written concerns on the Annual Report to:

Office of the Municipal Manager

Ref: Annual Report 2012 / 2013

Private Bag X321

Pietermaritzburg

3200

Or

Email: madeleine.jackson@msunduzi.gov.za

Final Date for Submissions: Thursday, 27th February 2014

MR M.A. NKOSI: MUNICIPAL MANAGER



THE MSUNDUZI MUNICIPALITY

PROVINCE OF KWAZULU-NATAL KZN225

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- Wednesday, 19th February 2014, 09:00 am
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Area Office	Contact Name/s	Contact Number/s
Vaindieja	Caleb Magubane / Zingli Ndlela	033-505-0808
Ashburton	Bairaj Roopan / Margaret Mkhungwa	033-392-2360/1
Ehondale	Emerald Buthelezi / Buyi Hlophe	033-392-3171/2
Imballi	Sasa Mgadi / Thabale Khumalo	033-392-3619/22
Northern Areas	Anwar Hosen / Xolani Nkhangase	033-397-0131/3873188
City Hall	Scelo Nene	033-392-2205

The public is hereby informed that consultation on the Annual Report will convene at the meetings, as outlined above, thereafter, the Oversight Report will be developed and recommended to the Full Council for adoption.

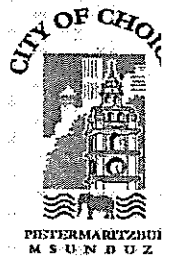
The public is invited to submit written concerns on the Annual Report to:

Office of the Municipal Manager,
Ref: Annual Report 2012 / 2013
Private Bag X321,
Pietermaritzburg,
3200.

Or

Email: madeleine.jackson@msunduzi.gov.za

Final Date for Submissions: Thursday, 27th February 2014
M.A. NKOSI
MUNICIPAL MANAGER



MINUTES OF THE PUBLIC ACCOUNTS COMMITTEE

MEETING HELD IN **COUNCIL CHAMBER**, CITY HALL, 1ST FLOOR
ON **FRIDAY, 7 FEBRUARY 2014 AT 09H00**.

PRESENT: Councillors M Tarr (Chairperson), R Ashe, N Atwaru, T Matiwane, SC Ndawonde, TP Ngcobo and RB Singh.

ABSENT: Councillors SI Madonda (Party commitment), PG Ngidi (No apology), TD Ntombela (Attending a school crisis), MS Sokhela (no apology) and R Soobiah (no apology)

OFFICIALS

PRESENT: Messrs I Chetty (Manager: Strategic Analysis and Research [Acting]), S Nene (Performance and Knowledge Management Practitioner), L Dlamini (Intern: Office of the Municipal Manager); Mesdames N Sikhakhane (Municipal Manager's Representative), D Reddy (Economist: Finance), T Mtshali (Intern: Office of the Municipal Manager) and B Nxumalo (Committee Officer).

1. **APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.**

Applications for leave were received from Councillors SI Madonda who had a party commitment and TD Ntombela who was attending to a school crisis.

Concerns were raised regarding Councillors that were absent and had not tendered their apologies. Emphasis was made that a fine should be instituted upon those Councillors as per Rules of Order of Council. The Chairperson undertook to raise the matter with the Speaker.

It was

RESOLVED

That Councillors Madonda and Ntombela be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 2013/2014**

Undated schedule by the Manager: Strategic Analysis and Research [Acting].

(Tabled at the meeting)

Committee was advised that there would no longer be public representatives serving in Municipal Public Account Committee (MPAC) / (Oversight Committee) meetings during the interrogation of the Annual Report.

In response to a concern raised with regards to anomalies in the number of meetings attended, Councillors were urged to confirm the number of meetings they had attended in 2013 and submit those to the Speaker's Office for amendments.

Members were advised that invitations to meetings of the Municipal Public Accounts Committee were sent to all Deputy Municipal Managers. It was stated that reminders would also be forwarded at the end of the current meeting.

It was mentioned that the normal meeting of the Municipal Public Accounts Committee that would be discussing Performance Contract with all Deputy Municipal Managers, had been scheduled to take place on 25 February 2013. The Chairperson stated that Performance Contracts would be distributed to MPAC Councillors in due course.

Members raised a query regarding the possibility of receiving a stipend that would cover their travelling expenses during the MPAC-Oversight meetings as they were expected to attend more meetings during the interrogation of the Annual Report. The Chairperson undertook to investigate the possibility of a sitting allowance.

It was pointed out that Chairpersons of Committees as well as Deputy Municipal Managers should also be fined for not attending MPAC meetings as their non-attendance was inconveniencing the committee.

In response to a query, Councillors were advised that they were allowed to attend any Portfolio Committee as observers.

Meeting terminated at 09H43.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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MINUTES OF THE PUBLIC ACCOUNTS COMMITTEE – ECONOMIC DEVELOPMENT

MEETING HELD IN COUNCIL CHAMBER, CITY HALL, 1ST FLOOR
ON WEDNESDAY, 12 FEBRUARY 2014 AT 09H00.

PRESENT: Councillors M Tarr (Chairperson), R Ashe, N Atwaru, SI Madonda, T Matiwane, SC Ndawonde, RB Singh and MS Sokhela.

ABSENT: Councillors TP Ngcobo (Party commitment), PG Ngidi (Attending a meeting at Umgungundlovu District Municipality), TD Ntombela (no apology) and R Soobiah (no apology).

OFFICIALS

PRESENT: Dr R Ngcobo (Deputy Municipal Manager: Economic Development), Messrs S Zimu (Process Manager: Local Economic Development), D Gengan (Manager: Investment Promotion), R Ramharak (Local Economic Development), I Chetty (Manager: Strategic Analysis and Research [Acting]), V Jadoo (Building Control and Signage), S Nene (Performance and Knowledge Management Practitioner), L Dlamini (Intern: Office of the Municipal Manager); Mesdames N Sikhakhane (Municipal Manager's Representative), M Plaatjies (Manager: Office of the Municipal Manager), Dr J Dyer (Process Manager: Market), D Reddy (Economist), T Mtshali (Intern: Office of the Municipal Manager) and B Nxumalo (Committee Officer).

1. APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.

Applications for leave were received from Councillors PG Ngidi who had a meeting at Umgungundlovu District Municipality and TP Ngcobo who had a party commitment.

It was

RESOLVED

That Councillors Ngidi and Ngcobo be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. ANNUAL REPORT 2012/2013

Msunduzi Municipality Annual Report 2012/2013.

(Tabled at the meeting)

CHAPTER 3: COMPONENT C

2.1 Planning, Local Economic Development, Airport, Building Control and Market

The Chairperson made a request that tables contained in the Annual Report should be more user friendly. He emphasized on the fact that people should understand the contents of the reports. He further pointed out that Deputy Municipal Managers would be afforded an opportunity to sign affidavits in order to confirm that what was reflected in the Annual Report was a true reflection of the activities of their Business Units.

The importance of ensuring that figures reflected in the Annual Report were correct was stressed. It was emphasized that Finance Support Services Managers should attend Municipal Public Accounts Committee (MPAC) meetings in order to confirm the figures as well as to submit the corrected figures. A suggestion was made that in future, figures should be corrected prior to the final print of the Annual Report.

Managers were requested to add footnotes at the bottom of the tables in order to give clarity on what was meant by figures provided in the tables as well as to explain variances. With regards to the Airport, a concern was raised that most activities and projects that were undertaken, were not reflected in the Annual Report. A proposal was made that the information contained in the Service Delivery and Budget Implementation Plan (SDBIP) should be posted to the Annual Report regarding the Airport projects.

A request was also made that variances reflected in the Annual Report should be from the adjusted, not the original budget. The importance of consistency in reporting was mentioned.

2.2 Housing

With regards to a query raised, it was reported that Jika Joe settlements would be converted into Community Residential Units. It was stated five different sites had been identified for the project and that those who did not qualify would be moved to other housing projects. The Managers were requested to ensure that footnotes with explanations of any variances should be reflected.

The Chairperson reported that he would write letters to the Chief Financial Officer as well as the Deputy Municipal Manager: Corporate Services requesting them to verify figures that were reflected in the Annual Report as well as the number of posts. It was stated that the Annual Report would be revisited to ensure that figures were amended and that correct figures were reflected.

It was

RESOLVED

- (a) That the Deputy Municipal Manager: Economic Development ensures that figures reflected in the tables of the Annual Report are amended and submitted to the Office of the Municipal Manager.
- (b) That the Deputy Municipal Manager: Economic Development ensures that footnotes explaining variances reflected in the Annual Report are inserted.
- (c) That all other Deputy Municipal Managers be requested to come with their Finance Support Services Managers to the Municipal Public Accounts Committee meetings and ensure that figures contained in the Annual Report are verified before they report to the meeting.

Meeting terminated at 10h45.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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MSUNDUZI MUNICIPALITY

MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE – COMMUNITY SERVICES BUSINESS UNIT
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MEETING HELD IN **COUNCIL CHAMBER**, CITY HALL, 1ST FLOOR
ON **WEDNESDAY, 12 FEBRUARY 2014 AT 14H15**

PRESENT: Councillors M Tarr (Chairperson), R Ashe, N Atwaru, SI Madonda, T Matiwane, SC Ndawonde, PG Ngidi, RB Singh and MS Sokhela.

ABSENT: Councillors TP Ngcobo (Party commitment), TD Ntombela (no apology) and R Soobiah (no apology).

OFFICIALS

PRESENT: Mesdames N Sikhakhane (Municipal Manager's Representative), B Zulu (Deputy Municipal Manager: Community Services), M Plaatjies (Manager: Office of the Municipal Manager), N Nkosi (Process Manager: Process Manager: Health and Social Services), D Reddy (Economist: Finance), T Mtshali (Intern: Office of the Municipal Manager) and B Nxumalo (Committee Officer). Messrs L Kunene (Process Manager: Area Based Management), M Zuma (Process Manager: Community Development), K Khumalo (Process Manager: Risk Management [Acting]), I Chetty (Manager: Strategic Analysis and Research [Acting]), S Mzobe (Human Resources Support Services Manager), ST Harrison (Finance Support Services Manager: Community Services), S Nene (Performance and Knowledge Management Practitioner), L Dlamini (Intern: Office of the Municipal Manager);

1. **APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.**

An application for leave was received from Councillor TP Ngcobo who had a party commitment. An apology was tendered on behalf of Councillor Atwaru who would join the meeting at a later stage.

It was

RESOLVED

That Councillor Ngcobo be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. **ANNUAL REPORT 2012/2013**

Msunduzi Municipality Annual Report 2012/2013.

(Tabled at the meeting)

CHAPTER 3: COMPONENTS D, E, F AND G

2.1 **Waste Management**

Concerns were raised regarding tables that were split between pages and a request was made to rectify that exercise. It was requested that footnotes be inserted below the tables to explain variances that were reflected. Managers were also requested to verify figures that were reflected in the Annual Report and submit their amendments to the Office of the Municipal Manager.

[At this point of the proceedings, Councillor Atwaru joined the meeting at 14h30]

A concern was raised regarding officials who did not attend Municipal Public Account Committee meetings to give clarity on areas that were affecting them.

2.2 Libraries, Art Gallery, Theatres and Halls and Cemeteries

A request was made that tables should be numbers and that abbreviations reflected should be added in the list of abbreviations provided in the Annual Report.

With regard to filling of vacancies in the Libraries it was pointed out that there had been some progress from December 2013. It was mentioned that the majority of the vacancies had already been filled.

In response to a query raised it was reported that the funding for the new library in Imbali was committed by the Department of Arts and Culture in writing, however, the actual transfer of the funding had not taken place.

It was stated that tables should indicate variances from the adjusted budget and that the zeros reflected should be amended. It was pointed out that concerns that were raised regarding the number of available vacancies reflected in the Annual Report would be brought to the attention of the Community Services Portfolio Committee. In response to a concern raised regarding the fact that Finance Support Services Managers were not requested to verify figures reflected in the Annual Report 2012/2013, it was mentioned that the figures were submitted directly to the Finance Business Unit for population. It was stated that the draft Annual Report was submitted to the Strategic Management Committee and that all Business Units were requested to confirm the figures. Concerns were raised regarding the number of vacancies that were not filled within the cemeteries and it was mentioned that the concern would be referred to the Community Services Portfolio Committee.

2.3 Environmental Health and Bio Adversity

A concern was raised regarding the issue that the Air Quality Data had not been verified. A suggestion was made that information as to who was responsible for providing the Air Quality Data should be reflected. Committee was advised that corrected figures from Environmental Health had already been submitted to the Office of the Municipal Manager. In response to a query raised as to why data was not verified, it was reported that the Central Station was decommissioned to accommodate construction of the Tourism Hub whereas the Edendale Station was non-functional due to vandalism.

Several concerns were raised regarding the target reflected on grass cut and it was suggested that the matter should be referred to the Portfolio Committee. The Committee felt that the frequency of cutting needed to be reviewed especially in the summer months.

The Deputy Municipal Manager: Community Services was requested to ensure that tables were amended to reflect corrected figures as well as to ensure consistency. It was emphasized that footnotes should be inserted to explain the reasons for the variances reflected in tables.

[At this point of the proceedings, Councillor Ngidi left the Chamber at 15h22]

2.4 Traffic, Fire and Disaster Management

Concerns of footnotes not being inserted for the purpose of clarity were raised. It was noted that both tables 128 (Cemeteries and Crematoria) and 155 (Sports and Recreation) reported on Cemeteries and Crematoria and a request was made that correct data on Sports and Recreation should be reflected.

2.5 Safe City

The Process Manager: Risk Management (Acting) explained that Safe City would periodically make submissions towards the budget process requesting for additional funding from the Municipality to acquire more cameras for certain areas e.g. Northern Areas, Jika Joe, Edendale, Copesville, etc. He explained that Safe City had not received funding from the Municipality and that it was important that the Municipality took part in ensuring the safety of its citizens by approving the Safe City requests in the upcoming financial year.

Meeting terminated at 15h40.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
FINANCIAL SERVICES BUSINESS UNIT**

**MEETING HELD IN COUNCIL CHAMBER, CITY HALL, 1ST FLOOR
ON MONDAY, 3 MARCH 2014 AT 09H00**

PRESENT: Councillors M Tarr (Chairperson), R Ashe, N Atwaru, SI Madonda, SC Ndawonde, TP Ngcobo, TD Ntombela, PG Ngidi, RB Singh and R Soobiah.

ABSENT: Councillors MS Sokhela who had a party commitment and T Matiwane (no apology).

OFFICIALS

PRESENT: Mesdames N Sikhakhane (Municipal Manager's Representative), N Ngcobo (Chief Financial Officer), D Reddy (Economist: Finance), T Mtshali (Intern: Office of the Municipal Manager) and B Nxumalo (Committee Officer); Messrs S Khoza (Process Manager: Revenue), ST Harrison (Finance Support Services Manager), MB Sahibdeen (Manager: Financial Services), V Mohanlal (Manager: Supply Chain Management [Acting]), I Chetty (Manager: Strategic Analysis and Research [Acting]), S Mkhize (Manager: Stores – Supply Chain Management), S Nene (Performance and Knowledge Management Practitioner) and L Dlamini (Intern: Office of the Municipal Manager).

1. APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.

An application for leave was received from Councillor MS Sokhela who had a party commitment.

It was

RESOLVED

That Councillor Sokhela be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. ANNUAL REPORT 2012/2013

Msunduzi Municipality Annual Report 2012/2013.

(Tabled at the meeting)

CHAPTER 1:

2.1 Service Delivery Overview, Indigent Population, Financial Health Overview and Auditor General Reports 11/12 and 12/13.

Several amendments were made to the Annual Report. The Chief Financial Officer was requested to reword some of the paragraphs that were reflected on pages 16 and 17 of the Annual Report. A request was made that the column reflected on Table 10 should be reviewed as the figures were incorrect and that the correct figures be submitted to the Office of the Municipal Manager.

With regard to Indigent (Free Basic Services), a request was made that a footnote should be inserted beneath the graph to explain the massive drop on free basic household services.

It was noted that Tables 60 and 61 under free basic services for indigents were not aligned and it was requested that amendments be made.

In response to a query raised, it was reported that the process of new indigent applications had already been initiated and that about 25 people had been employed to assist in fast-tracking the process. The Chief Financial Officer was requested to ensure that necessary adjustments were made to the tables identified as being incorrect and that the corrected figures be submitted to the Office of the Municipal Manager.

The issue of inserting footnotes in the Annual Report with explanatory notes was emphasized. Concerns were raised regarding a huge gap on vacant posts. The Chairperson requested the Manager: Strategic Analysis and Research (Acting) to investigate the possibility of keeping information that dealt with each Business Unit in one section of the report. A request was made that Finance Support Services Managers should be assisted by the Office of the Chief Financial Officer to ensure that figures reflected in the Annual Report corresponded to Financial Statements.

NOTED.

Meeting terminated at 10:20.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
INFRASTRUCTURE SERVICES BUSINESS UNIT**

**MEETING HELD IN COUNCIL CHAMBER, CITY HALL, 1ST FLOOR
ON MONDAY, 3 MARCH 2014 AT 11H00**

PRESENT: Councillors M Tarr (Chairperson), R Ashe, N Atwaru, SI Madonda, SC Ndawonde, TP Ngcobo, TD Ntombela, PG Ngidi, RB Singh and R Soobiah.

ABSENT: Councillors MS Sokhela who had a party commitment and T Matiwane (no apology).

OFFICIALS

PRESENT: Ms N Sikhakhane (Municipal Manager's Representative); Messrs T Maseko (Deputy Municipal Manager: Infrastructure Services), S Nomnganga (Head: Electricity), M Ngcobo (Manager: Fleet), R Maharaj (Finance Support Services Manager), N Anderson (Project Management Unit), I Chetty (Manager: Strategic Analysis and Research [Acting]), S Nene (Performance and Knowledge Management Practitioner), L Dlamini (Intern: Office of the Municipal Manager); Mesdames D Reddy (Economist: Finance), T Mtshali (Intern: Office of the Municipal Manager) and B Nxumalo (Committee Officer).

1. APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.

An application for leave was received from Councillor MS Sokhela who had a party commitment.

It was

RESOLVED

That Councillor Sokhela be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. ANNUAL REPORT 2012/2013

Msunduzi Municipality Annual Report 2012/2013.

(Tabled at the meeting)

CHAPTER 3: COMPONENT A

2.1 Water, Sanitation, Electricity and Waste Management (Landfill)

The Manager: Strategic Research and Analysis (Acting) was requested to investigate the possibility of incorporating the Annual Report indexes into one page. It was pointed out that graphs on pages 126 and 132 of the Annual Report under "access to water" and "access to sanitation" should be amended to reflect numbers and not proportions.

The Deputy Municipal Manager: Infrastructure was requested to revisit some of the tables that were reflected in the Annual Report and to ensure that corrected figures were submitted to the Office of the Municipal Manager. The importance of ensuring that figures reflected in the Annual Report were in line with the Financial Statements was stressed.

There were concerns raised regarding the difficulty in attracting and retaining qualified and competent technical staff. The matter was stated to be affecting negatively on service delivery.

The issue of inserting footnotes to explain the major drops in figures reflected or where necessary was emphasized as a cause for concern.

NOTED.

COMPONENT B

2.2 Roads, Transport, Storm Water and Fleet Management

Several concerns were raised regarding the high vacancy rate within the Infrastructure Services Business Unit and a proposal was made that Corporate Services should be requested to come up with a strategy to ensure that the appointing process was shortened and speeded up. The importance of advertising posts immediately after being vacant was thereafter stressed. The Corporate Services Business Unit was named as where the bottleneck was.

It was stated that in cases where "other" was reflected in tables (e.g. Table 53 on Page 141), footnotes should be inserted to clarify what was covered. Another request was made that variances that showed percentages should be converted to numbers or Rands for consistency purposes.

NOTED.

CHAPTER 6

2.3 Municipal Infrastructure Grant (MIG)

The Deputy Municipal Manager: Infrastructure Services explained that the under-spending that was reflected under the Infrastructure Services Business Unit was also for other Business Units. He was requested to submit his explanation to the Office of the Municipal Manager and that such should form part of the introduction to the MIG section.

A request was made that the figures that appeared in the Annual Report should be in line with the Financial Statements.

The Deputy Municipal Manager: Infrastructure Services further explained that a certain amount was reversed due to the fact that it was not spent, not only by Infrastructure Services Business Unit but by other Business Units as well. He added that he was not in a position to account for other Business Units.

NOTED.

Meeting terminated at 12:30.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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**MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE –
CORPORATE SERVICES BUSINESS UNIT**

MEETING HELD IN **COUNCIL CHAMBER**, CITY HALL, 1ST FLOOR
ON **WEDNESDAY, 12 MARCH 2014 AT 09H00**

PRESENT: Councillors M Tarr (Chairperson), N Atwaru, T Matiwane, SC Ndawonde, RB Singh, MS Sokhela and R Soobiah.

ABSENT: Councillors R Ashe (Party commitment), SI Madonda (apology to join later), PG Ngidi (apology to join later), T Ngcobo (Party commitment) and TD Ntombela (no apology).

OFFICIALS

PRESENT: Mesdames N Sikhakhane (Municipal Manager's Representative), M Molapo (Deputy Municipal Manager: Corporate Services), F Ndlovu (Process Manager: Human Resources Management and Employee Relations), Z Khumalo (Human Resources Support Services Manager), L Pillay (Finance Support Services Manager), X Hulane (Personnel Manager [Acting]), D Reddy (Economist: Finance), T Mtshali (Intern: Office of the Municipal Manager), B Nxumalo (Committee Officer); Messrs X Ngebulana (Process Manager: Information and Communication Technology), K Thaver (Legal Advisor), I Chetty (Manager: Strategic Analysis and Research [Acting]), S Mzobe (Human Resources Support Services Manager), G Buitendach (Human Resources Support Services Manager), R Mkhize (Human Resources Support Services Manager), S Ramkillawan (Printing Manager), W Schnaar (Information Manager), S Nene (Performance and Knowledge Management Practitioner) and L Dlamini (Intern: Office of the Municipal Manager).

1. APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.

Applications for leave were received from Councillors R Ashe and T Ngcobo who had party commitments. Apologies were received from Councillors PG Ngidi and SI Madonda who would join the meeting later.

It was

RESOLVED

That Councillors Ashe and Ngcobo be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. ANNUAL REPORT 2012/2013

Msunduzi Municipality Annual Report 2012/2013.

(Tabled at the meeting)

CHAPTER 1

2.1 Organisational Development Overview

Few spelling errors that required corrections were pointed out and a request was made that those amendments should be submitted to the Office of the Municipal Manager in the first instance

NOTED.

CHAPTER 3: COMPONENT H

2.2 Human Resources Services, ICT, Legal Services

Committee was advised that adjustments to figures had already been made and submitted to the Office of the Municipal Manager. The Process Manager: Human Resources Management and Employee Relations was requested to go through the Annual Report and ensure that with regards to employees, figures were correct.

NOTED.

COMPONENT I

2.3 Organisational Development Performance

Concerns were raised regarding the high vacancy rate within the Corporate Services Business Unit as well as the entire Municipality. The Deputy Municipal Manager: Corporate Services explained that a positive report would be reflected in the 2013/14 Annual Report since most of the vacant posts had been filled. She mentioned that 95% of posts had been filled and that further 60 posts had been released.

[At this point of the proceedings, Councillor Sokhela joined the meeting at 9h38 instituting a quorum]

In response to a query raised, it was reported that the job grading process was ongoing and was reaching its final stages. It was further explained that the report regarding the grading of posts had been to the Local Labour Forum. Concerns were raised regarding the the finalization of Job Grading / Evaluation and Migration as it could have a negative impact on service delivery.

NOTED.

CHAPTER 2: COMPONENT A

2.4 Political Governance, Administrative Governance, By-laws and Websites

A request was made that the phrase "Good Governance Portfolio Committee" be amended to read "Corporate Services Portfolio Committee". With regards to Committees, it was clarified that Portfolio Committees reported to the Executive Committee and that the Municipal Public Accounts Committee reported to Full Council.

In response to a query raised regarding the delay in filling posts, the Deputy Municipal Manager: Corporate Services acknowledged concerns raised, however she stated that there was an action plan in place where Deputy Municipal Managers should be Municipal Manager's Representatives during interviews in order to fast-track the process. She added that it had to be noted that customer Business Units sometimes contributed to delays.

NOTED.

[At this point of the proceedings, it was noted that both Councillors Ngidi and Madonda did not attend the meeting].

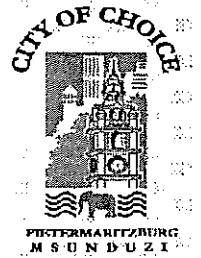
Meeting terminated at 10:00.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE – CORPORATE BUSINESS UNIT

MEETING HELD IN **COUNCIL CHAMBER**, CITY HALL, 1ST FLOOR
ON **WEDNESDAY, 12 MARCH 2014 AT 11H00**

PRESENT: Councillors M Tarr (Chairperson), N Atwaru, SC Ndawonde, PG Ngidi, RB Singh, MS Sokhela and R Soobiah.

ABSENT: Councillors R Ashe (Party commitment), SI Madonda (apology to join later), T Matiwane (party commitment), T Ngcobo (Party commitment) and TD Ntombela (no apology).

OFFICIALS

PRESENT: Ms N Sikhakhane (Municipal Manager's Representative); Messrs PJ Mahlaba (Executive Manager: Internal Audit), B Dlamini (Manager: Office of the Speaker [Acting]), I Chetty (Manager: Strategic Analysis and Research [Acting]), S Nene (Performance and Knowledge Management Practitioner) and L Dlamini (Intern: Office of the Municipal Manager); Mesdames E Mahlangu (Manager: Office of the Mayor), S Msomi (Manager: Internal Audit), D Reddy (Economist: Finance), T Mtshali (Intern: Office of the Municipal Manager) and B Nxumalo (Committee Officer).

1. APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.

Applications for leave were received from Councillors R Ashe and T Ngcobo who had party commitments. Apologies were received from Councillors PG Ngidi and SI Madonda who would join the meeting later.

It was

RESOLVED

That Councillors Ashe and Matiwane be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. ANNUAL REPORT 2012/2013

Msunduzi Municipality Annual Report 2012/2013.

(Tabled at the meeting)

2.1 INTERNAL AUDIT: FINAL INTERNAL AUDIT REPORT ON THE ANNUAL REPORT FOR 2012/2013

Report dated 10 March 2014 by the Executive Manager: Internal Audit.

(Tabled at the meeting)

The Manager: Strategic Analysis and Research (Acting) was requested to make changes in the Annual Report as per the Internal Audit report that was tabled at the current meeting. The Executive Manager: Internal Audit pointed out that the top 10 risks under Risk Management that required interrogation had been identified.

The Executive Manager: Internal Audit explained that a Combined Assurance System was introduced which was to ensure that all Portfolio Committees were made aware of all Internal Audit investigations. He further explained that in future statistics of reported cases would be included under the Anti-corruption and Fraud section.

The Executive Manager: Internal Audit was requested to verify whether variances reflected were from the adjusted budget.

NOTED.

2.2 OFFICE OF THE MAYOR

Few spelling errors were identified on the Mayor's Foreword section and the Manager: Office of the Mayor was requested to make the necessary changes and submit them to the Office of the Municipal Manager in the first instance.

NOTED.

2.3 OFFICE OF THE SPEAKER

Councillors felt that the number of meetings attended by each Councillor that was reflected in the Annual Report was not a true reflection of what had happened. The Manager: Office of the Speaker (Acting) was requested to correct the numbers reflected under meetings attended by each Councillor.

Concerns were raised regarding the number of Ward Committee meetings reflected in the Annual Report and the Manager: Office of the Speaker was requested to follow up the matter. It was noted with concern that, in some instances, there were no items / issues shown to have been raised or discussed in Ward Committee meetings. It was requested that the Office of the Speaker should furnish accurate information and to keep correct data.

NOTED.

2.4 OFFICE OF THE MUNICIPAL MANAGER

With regards to locality, the Manager: Strategic Analysis and Research (Acting) was requested to ensure that the percentage contribution for Pietermaritzburg towards GDP be specifically shown.

NOTED.

2.5 ANNUAL REPORT CHECKLIST

Undated schedule by the Manager: Strategic Analysis and Research (Acting).

(Tabled at the meeting)

It was stated that the Internal Audit Unit had already gone through the Annual Report Checklist and it was noted with concern that Portfolio of Evidence (POEs) had not been received from the Finance Business Unit as per the Internal Audit Report.

NOTED.

[At this point of the proceedings, it was noted that Councillor Madonda did not attend the meeting].

Meeting terminated at 12:30.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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MINUTES OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

MEETING HELD IN **COUNCIL CHAMBER**, CITY HALL, 1ST FLOOR
ON **WEDNESDAY, 19 MARCH 2014 AT 09H00**

PRESENT: Councillors M Tarr (Chairperson), R Ashe, SI Madonda, T Matiwane, SC Ndawonde, TP Ngcobo, TD Ntombela, RB Singh and MS Sokhela.

ABSENT: Councillors N Atwaru (party commitment), PG Ngidi (No apology) and R Soobiah (no apology).

OFFICIALS

PRESENT: Mesdames N Sikhakhane (Municipal Manager's Representative), D Reddy (Economist: Finance), T Mtshali (Intern: Office of the Municipal Manager), B Nxumalo (Committee Officer); Messrs I Chetty (Manager: Strategic Analysis and Research [Acting]) and L Dlamini (Intern: Office of the Municipal Manager).

1. **APPLICATIONS FOR LEAVE FROM THE CURRENT MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.**

An application for leave was received from Councillor N Atwaru who had a party commitment.

It was

RESOLVED

That Councillor Atwaru be granted leave of absence from the current meeting of the Municipal Public Accounts Committee.

2. **ANNUAL REPORT 2012/2013**

(Tabled at the meeting)

A proposal was made that the table reflected on page 26 of the Annual Report on the number of meetings attended by Councillors be omitted; it being noted that information provided was inaccurate. The Chairperson suggested that a footnote advising that accurate information was not available by the time of going to print, be inserted under the heading.

A concern was raised regarding the fact that correct information was not received from the Office of the Speaker as to the number of meetings attended by Councillors following requests that were made at the previous Municipal Public Accounts Committee meeting.

Councillors were requested to go through the Annual Report and submit their inputs to the Office of the Municipal Manager.

NOTED.

3. OVERSIGHT REPORT FOR THE FINANCIAL YEAR 2012/2013

Undated report by the Municipal Public Accounts Committee.

(Tabled at the meeting)

It was suggested that on page 31 of the Oversight Report, paragraph 2 be amended to read *"That Council approves the Annual Report of the Msunduzi Municipality for the 2012/2013 Financial Year without reservations, taking note of the matter mentioned in respect of information on page 26 of the Annual Report 2012/2013 on the number of Council meetings attended by Councillors"*.

An addition to resolution c(i) of the Oversight Report was made as there were numerous errors noted in the draft Annual Report that was submitted to both Full Council and Municipal Public Account Committee / Oversight Committee.

It was

RESOLVED TO RECOMMEND TO FULL COUNCIL

- (a) That having fully considered the Annual Report of the Msunduzi Municipality for the 2012/2013 Financial Year, the Oversight Report for the 2012/2013 Financial Year be ADOPTED; it being noted that the Municipal Public Accounts Committee / Oversight Committee wishes to place on record that during the consultation and verification sessions held with the Business Units, a large number of inconsistencies were identified in information that had been supplied for the publication of the Annual Report 2012/2013.
- (b) That Council approves the Annual Report of the Msunduzi Municipality for the 2012/2013 Financial Year without reservations, taking note of the matter mentioned in respect of information on page 26 of the Annual Report 2012/2013 on the number of Council meetings attended by Councillors.
- (c) That the following resolutions (i-iii) below be RATIFIED: as there were numerous errors noted in the 2012/2013 draft Annual Report:-
 - (i) That in future years prior to the production of the draft annual report each Deputy Municipal Manager will be required to sign an affidavit to the effect that all the information included in the report is a complete and true reflection of the activities of their business unit, having noted that this resolution was taken during the approval of the 2011/2012 Oversight Report and seems to have been ignored. Therefore, as a result there were numerous errors in the 2012/2013 draft annual report; as there were numerous errors noted in the 2012/2013 draft Annual Report.

- (ii) That in future years, the Deputy Municipal Manager: Finance will be responsible for the coordination and compilation of all financial tables and information and will be required to verify that all financial information for business units is consistent with the Annual Financial Statements, having noted that this resolution was taken during the approval of the 2011/2012 Oversight Report and seems to have been ignored.
- (iii) That in future years, the Deputy Municipal Manager: Corporate Services will be responsible for the coordination and compilation of all human resource related tables and information and will be required to verify that all human resources information for business units is correct, having noted that this resolution was taken during the approval of the 2011/2012 Oversight Report and seems to have been ignored.
- (d) That the Draft Annual Report, in future years, be not be tabled in Council if it is not accompanied by the signed Affidavits by the Deputy Municipal Managers affirming that all the information included in the report is a complete and true reflection of the activities of their business units.
- (e) That the Oversight Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act 56 of 2003.
- (f) That the 2012/2013 Annual Report and Oversight Report, including the minutes where the Annual Report was discussed, is submitted to the:
 - National Treasury;
 - Auditor General;
 - MEC: Cooperative Governance and Traditional Affairs;
 - MEC: Provincial Treasury; in terms of Section 129 (2) of the MFMA.
- (g) 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.
- (h) That, arising out of the proceedings of the Oversight Committee meetings, it be noted that the committee does not believe there is any justification to pay performance bonuses for 2012/2013. However the committee must point out that in some cases the lack of performance can be directly attributed to serious staff shortages.

4. CONFIRMATION OF MINUTES

4.1 Minutes of the meeting held on 7 February 2014.

(Page 1 of agenda)

It was

RESOLVED

That the minutes of the Municipal Public Accounts Committee meeting held on 7 February 2014 be confirmed, subject to the following:

That on page 1, 1st paragraph of item 2, "Municipal Public Accounts Committee" be amended to read "Oversight Committee".

4.2 Minutes of the meeting held on 12 February 2014 with the Economic Development Business Unit.

(Page 4 of agenda)

It was

RESOLVED

That the minutes of the Municipal Public Accounts Committee meeting held on 12 February 2014 be confirmed.

4.3 Minutes of the meeting held on 12 February 2014 with the Community Services Business Unit.

(Page 7 of agenda)

It was

RESOLVED

That the minutes of the Municipal Public Accounts Committee meeting held on 12 February 2014 be confirmed.

4.4 Minutes of the meeting held on 3 March 2014 with the Financial Services Business Unit.

(Page 11 of agenda)

It was

RESOLVED

That the minutes of the Municipal Public Accounts Committee meeting held on 3 March 2014 be confirmed.

4.5 Minutes of the meeting held on 3 March 2014 with the Infrastructure Services Business Unit.

(Page 14 of agenda)

It was

RESOLVED

That the minutes of the Municipal Public Accounts Committee meeting held on 3 March 2014 be confirmed.

- 4.6 Minutes of the meeting held on 12 March 2014 with the Corporate Services Business Unit).

(Page 17 of agenda)

It was

RESOLVED

That the minutes of the Municipal Public Accounts Committee meeting held on 12 February 2014 be confirmed.

- 4.7 Minutes of the meeting held on 12 March 2014 with the Corporate Business Unit.

(Page 20 of agenda)

It was

RESOLVED

That the minutes of the Municipal Public Accounts Committee meeting held on 12 February 2014 be confirmed.

Meeting terminated at 09H43.

Confirmed by

CHAIRPERSON

PIETERMARITZBURG

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