



**ANNEXURE A**

**DRAKENSTEIN**

MUNISIPALITEIT • MUNICIPALITY • UMASIPALA

Paarl Wellington Gouda Saron Simondium

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# **Oversight Report**

## **2019/2020 Annual Report**

**12 May 2021**

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**A city of excellence**

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## 1. INTRODUCTION

The Annual Report (AR) is one of the key instruments of transparent governance and accountability. It is a post-financial year document which provides an overview of the process of financial and non-financial performance in respect of the previous financial year, in this instance the 2019/2020 financial year. The adoption of an AR is a legislative requirement in terms of the Municipal Finance Management Act (MFMA).

## 2. PURPOSE

The purpose of this report is to present to Council for adoption, the 2019/2020 AR as well as the Oversight Report (OR) on the 2019/2020 AR as required in terms of Section 129 of the MFMA.

## 3. 2019/2020 ANNUAL REPORT

### 3.1 LEGAL FRAMEWORK

Section 121 of the MFMA determines that Drakenstein Municipality must deal with the preparation and adoption of the 2019/2020 AR as follows:

*“(1) Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a 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.*

*(2) The purpose of an annual report is:*

- (a) To provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;*
- (b) To provide a report on performance against the budget of the municipality or municipal entity for that financial year; and*
- (c) To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.*

Section 127(2) of the MFMA also determines with regard to the submission and tabling of ARs that the Executive Mayor must, within seven months after the end of a financial year, table in the Municipal Council the AR of Drakenstein Municipality. This was done on 31 March 2021.

With the COVID-19 lockdown, an exemption was issued by the Minister of Finance, whereby the date for the submission of the Annual Financial Statements to the Auditor General was moved from 31 August 2020 to 31 October 2020 and subsequently the date for the conclusion of the annual audit was moved to 28 February 2021 and the date for the tabling of the draft AR to 31 March 2021.

Section 129 of the MFMA determines with regard to the OR on the 2019/2020 AR that:

*“(1) The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality’s sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council’s comments on the annual report, which must include a statement whether the council:*

- (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.”*

### **3.2 COMPONENTS OF THE ANNUAL REPORT**

The format of the 2019/2020 AR is based on the AR template issued by National Treasury in terms of MFMA Circular 63 of 2012. The Circular requires that an AR consists of six (6) chapters and attempts to cover all the aspects that needs to be reported on as derived from the MFMA and the Local Government: Municipal Systems Act.

## **4. 2019/2020 ANNUAL REPORT CONSULTATION AND ADOPTION PROCESS**

### **4.1 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Council established a Municipal Public Accounts Committee (MPAC) in terms of Section 79 of the Local Government: Municipal Structures Act, 1998. The Terms of Reference tasks the MPAC with the responsibility to perform an oversight role over the process of preparing the AR of Council and to produce an OR based on the AR.

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As required by the MFMA the City Manager attended the Council Meeting where the 2019/2020 AR was tabled by the Executive Mayor on 31 March 2021, thereafter it was released for public comment. The MPAC convened one meeting on 12 May 2021 to deliberate on the content of the 2019/2020 AR together with the comments received on the 2019/2020 AR. The City Manager attended the MPAC meeting as required to answer questions posed by MPAC members on the 2019/2020 AR and written comments received.

The attendance of MPAC members for the purpose of compiling the OR is recorded as follows:

**Table 1: MPAC Members and Attendance**

<b>Name</b>	<b>Capacity</b>	<b>Meeting Attendance: 12 May 2021</b>
ClIr MJ Le Hoe	MPAC Chairperson	✓
ClIr AML Buckle	Member	✓
ClIr LS Sambokwe	Member	✓
ClIr AJ van Santen	Member	✓
ClIr A Bekeer	Member	✓
ClIr NN George	Member	Absent
ClIr J de Wet	Member	✓

#### **4.2 ADOPTION AND PUBLIC CONSULTATION PROCESS**

The Executive Mayor tabled the Draft 2019/2020 AR in Council on 31 March 2021 in compliance with the MFMA. The Draft 2019/2020 AR was made public on the municipal website within (5) days as well as within seven (7) days in the local newspapers after it was tabled at Council.

Members of the community and any other stakeholder were invited to submit written comments on the 2019/2020 AR. In addition, the 2019/2020 AR was also made available at all municipal libraries and selected municipal offices.

The 2019/2020 AR was also submitted, in terms of Section 127(5)(b) of the MFMA to the Auditor-General of South Africa (AGSA), Western Cape Provincial Treasury and the Western Cape Department of Local Government. The AGSA was also invited to attend the Council meeting held on 31 March 2021 as well as the MPAC meeting held on 12 May 2021.

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The closing date for public comments were on 21 April 2021. No submissions from the public were received. Written comments were received from the Auditor-General, Audit Committee and from the Department: Corporate Services (Executive Director: Corporate Services). These comments were tabled and considered at the MPAC meeting held on 12 May 2021.

#### **4.3 MATTERS DISCUSSED BY THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

The MPAC met on 12 May 2021 to discuss and consider the adoption of the 2019/2020 AR. The MPAC members, prior to these meetings, perused through the content of the 2019/2020 AR as well as the written comments received and the corrections made to the AR (attached as Appendix 1 and 2 to the Oversight Report).

In terms of Section 129(1) of the MFMA, Council must indicate whether the 2019/2020 AR is being adopted with or without reservations. The matters as discussed in Appendix 1 and 2 were finalised on 12 May 2021. As a result the MPAC is satisfied with the content of the Final 2019/2020 AR and as such recommends to Council that the 2019/2020 AR be adopted without any reservations.

#### **5. CONCLUSION**

As Chairperson of the MPAC, I would like to thank the MPAC members, the Mayoral Committee members, the City Manager and Senior Management, as well as the various contributors to the Final 2019/2020 AR product for their diligence and constructive commitment during the oversight period.

The MPAC is satisfied that the 2019/2020 AR provides an accurate overview of the process of financial and non-financial performance during the period under review and therefore would like to recommend the adoption thereof.

#### **6. RECOMMENDATIONS**

It is recommended to Council that:

- 6.1 Council adopts the Oversight Report on the 2019/2020 Annual Report;
- 6.2 Council approves the 2019/2020 Annual Report without any reservations;
- 6.3 The Oversight Report on the 2019/2020 Annual Report be made public in accordance with Section 129(3) of the MFMA; and

6.4 The Minutes of the Oversight Committee meeting of 12May 2021, the Oversight Report on the 2019/2020 Annual Report and the Final 2019/2020 Annual Report be submitted, in accordance with Section 129(2) and 132(2) of the MFMA, to the Auditor-General of South Africa, Western Cape Provincial Treasury, Western Cape Department of Local Government and the Western Cape Provincial Legislature.

## **7. APPENDICES**

- Appendix 1: Comments received on the Draft Annual Report 2019/2020;
- Appendix 2: 2019/2020 Annual Report corrected and replacement pages; and
- Appendix 3: MPAC Minutes of 12 May 2021.



**MARTHINUS LE HOE**  
**CHAIRPERSON: MPAC**

12 May 2021

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**APPENDIX 1**

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# **Comments received on the Draft Annual Report**

**2019/2020 Financial Year**

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**To be considered by the Municipal Public Accounts Committee on 12 May 2020**

Row Number	Comments Received From	Content of Comments Received	Senior Management Response	MPAC's Response to Council
1.	Auditor-General (attached hereto).	Page 87: There are totals however no amounts in the line items	The 2019/2020 Customer Satisfaction Survey questionnaire is composed of English, Afrikaans and isiXhosa questions in one survey as opposed to previous years' where we had 3 separate surveys in all 3 languages, however, the questions remained the same. As a result the system generated one survey report in all 3 languages, hence there are no amounts in the line items. <i>Report to remain as is.</i>	Senior Management's response accepted.
2.	Auditor-General (attached hereto).	Page 130: Formatting - table is hidden.	It has been corrected.	Senior Management's response accepted.
3.	Auditor-General (attached hereto).	Page 148: Formatting error.	It has been corrected.	Senior Management's response accepted.
4.	Auditor-General (attached hereto).	Page 99 to 106 of AFS not included in volume IV.	To be rectified, misfeed of printer when the AFS was scanned in.	Senior Management's response accepted.
5.	Auditor-General (attached hereto).	Page 113 to 125 of AFS also missing in volume IV	To be rectified, misfeed of printer when the AFS was scanned in.	Senior Management's response accepted.
6.	Auditor-General (attached hereto).	Page 111: Households in AR does not agree to APR	You need to compare the correct figures with each other. There is a difference between the Permanent number of formal households, the households provided with services in the urban areas	Senior Management's response accepted.

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Row Number	Comments Received From	Content of Comments Received	Senior Management Response (Consumer Units) and the different service levels (all households formal & informal). <i>Thus in terms of this comment, no changes required</i>	MPAC's Response to Council
7.	Auditor-General (attached hereto).	Page 248 - Table 168: Basic Services Backlogs	46 017 is the total prepaid consumers plus conventional consumers and also includes informal connected consumers. 39 510 excludes informal households and backyard households as mentioned underneath 5.2.2 in performance report. <i>Thus in terms of this comment, no changes required</i>	Senior Management's response accepted.
			In their calculation they must add 73725 + 505 = 74230. These are the total projected households and include backyard dwellers, hh in informal areas and hh on farms, which is not the same as the form formal hh supplied with water services in the urban areas (Consumer Units) as in the APR. <i>Thus in terms of this comment, no changes required</i>	Senior Management's response accepted.
			This figure must be 73725. <i>Change done in the AR</i>	Senior Management's response accepted.
8.	Auditor-General (attached hereto).	Page 99 - Table 32: Households - Water Service Delivery levels below the minimum level	This table is correct. Total 74 230 <i>Thus in terms of this comment, no changes required</i>	Senior Management's response accepted.

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Row Number	Comments Received From	Content of Comments Received	Senior Management Response	MPAC's Response to Council
9.	Auditor-General (attached hereto).	Page 103 - Table 37: Sanitation Service Delivery Levels - Households	This table is correct and correspond with figure in Table 168. If you add the 1480 below min. service level in the rest of the table (Which was not copied) with 72750 you get the 74230 <i>Thus in terms of this comment, no changes required</i>	Senior Management's response accepted.
10.	Auditor-General (attached hereto).	Page 109 -Table 43: Electricity Service Delivery Levels below the minimum - Formal & Informal Settlements	46 017 is the total prepaid consumers plus conventional consumers and also includes informal connected consumers. 39 510 excludes informal households and backyard households as mentioned underneath 5.2.2 in performance report. <i>Thus in terms of this comment, no changes required</i>	Senior Management's response accepted.
11.	Auditor-General (attached hereto).	Page 114 -Table 47: Solid Waste Removal Service Delivery Levels	N/A - No difference noted	Senior Management's response accepted.
12.	Auditor-General (attached hereto).	Page 125 - Income forgone don't agree to AFS	This table speaks to the benefits to indigents, whereas the revenue foregone for property rates all discounts and subsidies include. The amount for Property Rate and Rental is thus correct ( R23,328,424 (522410251011GRB2ZZWM) - Rates foregone for indigents+ R21,515,817 (Rental) = R48,844,242 Water - Amount has been updated	Senior Management's response accepted.

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Row Number	Comments Received From	Content of Comments Received	Senior Management Response	MPAC's Response to Council
13.	Auditor-General (attached hereto).	Page 125 - Table 57: Free basic services delivered per service	Refuse removal and sanitation – Amount has been updated The R47 334 224 in performance report is the correct value. The R47 177 776 value was before final statement values and must be corrected. <i>Change done in the AR</i>	Senior Management's response accepted.
14.	Audit Committee (attached hereto).	Enquired regarding the progress with the R448m court case that has been reported in the AFS for a number of years.	The case has been dormant for a long time. The municipality will not incur any liability in respect of this case. Should there be any financial implications arising from this matter, the municipality's insurer will be liable.	Senior Management's response accepted.
15.	Audit Committee (attached hereto).	Page 44 & 45 - There is no conclusion on the matters reported.	Supports the comment and the report should be written in a user-friendly manner and should be easily understandable.  Comments will be taken in account with the preparation of the 2020/2021 Annual Report.	Senior Management's response accepted.
16.	Audit Committee (attached hereto).	Page 48 - Paragraph 1.8 Management should contextualize the exemption received from National Treasury and the impact thereof on the submission dates of the draft AFS, audit opinion and the Annual Report.	<i>Change done in the AR</i>	Senior Management's response accepted.

Row Number	Comments Received From	Content of Comments Received	Senior Management Response	MPAC's Response to Council
17.	Audit Committee (attached hereto).	Page 220 – Table of vacancies, and enquired whether the total number of frozen vacancies of 1,690 is correct.	The Organisational Structure adopted in 2017 had a total number of positions in excess of 3,000 positions. Currently, approximately 1,830 funded positions are filled. A large number of frozen positions will not be filled, therefore a report will be submitted to Council to remove these positions from the organisational structure. <i>Thus in terms of this comment, no changes required</i>	Senior Management's response accepted.
18.	Audit Committee (attached hereto).	Page 223 - Reflecting the number of policies that need to be reviewed and stated that some of the policies have not been reviewed since 2014.	The review of policies is an agenda item at Strategic Management Team (SMT) and the process has commenced to review all policies.	Senior Management's response accepted.
19.	Audit Committee (attached hereto).	Page 224 - Sick leave for staff and stated that it will be better for the reader if the amount of sick leave per staff, department and staff level is indicated in the AR.	Comment to be considered. <i>No changes done.</i>	Senior Management's response accepted.
20.	Audit Committee (attached hereto).	Page 47 – Financial competency Development Progress Report, enquiry why column 5 – Any other financial officials, a total of 85 is reported but only 64 met the prescribed competency level. Is there a plan in place to ensure that the outstanding 21 officials achieve minimum competency.	All officials that are legislatively required to achieve minimum competency has done so. <i>No changes done.</i>	Senior Management's response accepted.

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Row Number	Comments Received From	Content of Comments Received	Senior Management Response	MPAC's Response to Council
21.	Audit Committee (attached hereto).	Page 292 – Disclosures of Financial Interests and enquired why the information disclosed for Senior Management is indicated as “None”.	The table will be updated to reflect “no financial interest to declare”. The use of the terms “None” and “Nil” in respect of disclosure of financial interest will also be standardised. <i>Changes done</i>	Senior Management’s response accepted.
22.	Audit Committee (attached hereto).	Page 316 – Audit Committee Members and attendance, and stated that the table indicates 7 meetings held in 2019/20 financial year but it also shows that Mr Whittles only attended 5 meetings out of the 7.	The records have been verified and Mr. Whittle was unable to attend the meetings held on 29/11/2019 and 05/12/2019.	Senior Management’s response accepted.
23.	Audit Committee (attached hereto).	Page 287 – Portfolio: Corporate Services and enquired regarding the statement under Interest in property that states “Any municipal houses that can be for sale in future”.	Will seek clarity regarding the statement and effect the necessary changes to the AR <i>Sentence removed</i>	Senior Management’s response accepted.
24.	Audit Committee (attached hereto).	Page 31 - The section refers to “Payment Culture” but relates to debtors. Suggested that the terminology used should refer to “Payment collection culture” instead as it may be misinterpreted by the reader.	There is a difference between “payment culture” and “payment collection culture” but Senior Management will reconsider the applicable wording on page 31. <i>No changes made.</i>	Senior Management’s response accepted.
25.	Audit Committee (attached hereto).	The audit report numbering will change. The updated audit report will be provided to Management.		Senior Management’s response accepted.



Row Number	Comments Received From	Content of Comments Received	Senior Management Response	MPAC's Response to Council
26.	Audit Committee (attached hereto).	Page 44 - capital expenditure, and indicated that the investment in bulk and other infrastructure decreased from R652 million in the 2017/18 financial year. Is it Management's intention to refer to matters that occurred in previous financial years or whether the information should be replaced with current year information.	Management wishes to report on the trend for the previous 2 years as well as the current year under review. <i>Thus in terms of this comment, no changes required</i>	Senior Management's response accepted.
27.	Audit Committee (attached hereto).	Page 38 - Table of number of HIV positive people, and enquired whether there is statistics available for COVID-19, that can be included in the AR.	<i>No changes done.</i>	Senior Management's response accepted.
28.	Audit Committee (attached hereto).	Page 45, Organisational Development review and requested that comments regarding the frozen positions be added to that column to enable the reader to understand the context of the statement.	<i>No changes done.</i>	Senior Management's response accepted.
29.	Audit Committee (attached hereto).	Management should consider including the definition of risk in the AR as this will enable the user to consider the risk information reported, in the context of the definition provided.	<i>No changes done.</i>	Senior Management's response accepted.
30.	Audit Committee (attached hereto).	Page 87- Customer Satisfaction Survey table, he stated that the AR does not reflect on the outcome of the customer satisfaction survey.	The 2019/2020 Customer Satisfaction Survey questionnaire is composed of English, Afrikaans and isiXhosa questions in one survey as opposed to previous	Senior Management's response accepted.

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Row Number	Comments Received From	Content of Comments Received	Senior Management Response	MPAC's Response to Council
31.	Audit Committee (attached hereto).	Page 117 – Housing, the AR should reflect on the responsibility of the municipality and the Provincial Government in the context of housing provision to enable the reader to understand the challenges that are faced in the housing environment.	<p>years' where we had 3 separate surveys in all 3 languages, however, the questions remained the same. As a result the system generated one survey report in all 3 languages, hence there are no amounts in the line items. <i>Thus in terms of this comment, no changes required</i></p> <p>Management take note of the comments and will make the necessary amendments. The challenges are listed on page 119. <i>Changes have been made on page 117.</i></p>	Senior Management's response accepted.
32.	Corporate Services (attached hereto).	Spelling and formatting errors.	Noted. Corrected in final 2019/2020 Annual Report to be submitted to Council – see replacement pages attached hereto.	Senior Management's response accepted.

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**Annual Report 2019/2020  
corrected and  
replacement pages**

- 2010/11: Unqualified audit opinion with other matters;
- 2009/10: Unqualified audit opinion with other matters;
- 2008/09: Unqualified audit opinion with other matters;
- 2007/08: Unqualified audit opinion with other matters;
- 2006/07: Qualified audit opinion with other matters;
- 2005/06: Qualified audit opinion with other matters; and
- 2004/05: Qualified audit opinion with other matters.

The unqualified and qualified audit opinions have to do with the Annual Financial Statements. The other matters deal with predetermined objectives and legislative compliance issues.

Further details can be found in the Audit Outcome Improvement Plan attached as Volume III to the Annual Report 2019/20.

## 1.8 STATUTORY ANNUAL REPORT PROCESS

The statutory processes to follow to compile an Annual Report are depicted in the table below. The process starts in July each year with the compilation of the Annual Report and continues until the end of March the following year when Council accepts the Annual Report and the Oversight Report on the Annual Report.

With the COVID-19 lockdown, an exemption was issued, whereby the date for the submission of the Annual Financial Statements to the Auditor General was moved from 31 August to 31 October 2020 and subsequently the date for the conclusion of the Annual Audit was moved to 28 February 2021 and the date for the tabling of the Draft Annual Report for public comment was moved to 31 March 2021.

**Mayoral Committee**

<b>Serial No.</b>	<b>Councillor and Portfolio</b>	<b>Councillor and Portfolio</b>	<b>Councillor and Portfolio</b>
<b>Column Ref.</b>	<b>A</b>	<b>B</b>	<b>C</b>
3	<p>MA Andreas Rural Management</p>	<p>RH van Nieuwenhuyzen Communication and IGR</p>	<p>C Kearns Environment, Parks and Open Spaces</p>
4	<p>E Gouws Social Services</p>		

**Table 29: Customer Satisfaction Survey**

Customer Satisfaction Survey									
Serial No.	Surveys	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20
		Manual Completion		Completed at Municipal Buildings		Completed on Website		Total Responses	
Column Ref.	A	B	C	D	E	F	G	H	I
1	English	52	0	2	-	47	-	101	-
2	Afrikaans	183	-	2	-	36	-	221	-
3	IsiXhosa	36	-	0	-	1	-	37	-
4	Total	271	-	4	87	84	48	359	135

The 2019/2020 Customer Satisfaction Survey questionnaire is composed of English, Afrikaans and isiXhosa questions in one survey as opposed to previous years' where we had 3 separate surveys in all 3 languages, however, the questions remained the same. As a result the system generated one survey report in all 3 languages, hence there are no amounts in the line items.

### 2.22.2 Complaints Management

Drakenstein Municipality procured a new Customer care and Asset Management Information System, which is set to go live in the 1<sup>st</sup> quarter of the 2020/21 financial year. The system aims to streamline service delivery complaints for both residents and officials, and will facilitate evidence based cost-containment for Departments.

The new system will provide Drakenstein's political leadership and senior management with improved business intelligence information and reporting procedures, streamline and standardise internal workflows and processes. It will also improve fixed asset management processes and asset knowledge information obtained from field personnel when carrying out daily tasks.

For residents and customers, reporting service delivery problems will be simplified with a straightforward digital contact process to complement telephone or walk-in-queries. The digital interface includes an opportunity for the complainant to post photographs to pinpoint the geographic location of the problem. By using this Geographic Information System (GIS), officials can "batch" the responses, sending out teams based on location as well as urgency. The end result is time and cost saved for both customers and the Municipality.

free electricity depending on their indigent subsidy categorisation, free refuse removal service, free sanitation services and free property rates up to a valuation of R950,000.

### 3.10.2 Free basic services per basic service

The statistics of the free basic services delivered per service to consumers for the 2019/2020 are depicted in the table below. Notable is that Drakenstein provided free services to the amount of R153.1 million compared with the R150.6 million equitable share received from the National Fiscus during the year under review. An overspending of R2.5 million occurred during the 2019/2020 financial year, resulting in the subsidisation of indigent consumers by other rate payers of the Municipality. This type of practise is not financially sustainable, and the indigent policy principles for the 2019/20 financial year has been revised to allow for spending within the allocated equitable share grant.

**Table 57: Free basic services delivered per service**

Free basic services delivered per service							
Serial No.	Service	2017/18		2018/19		2019/20	
		Number of Consumers	Rand Value Provided	Number of Consumers	Rand Value Provided	Number of Consumers	Rand Value Provided
Column Ref.	A	B	C	D	E	F	G
1	Property Rates and Rentals	9,233	30,282,021	9,585	34,575,604	15,120	44,844,242
2	Refuse Removal and Sanitation	19,030	48,752,435	19,805	58,045,131	17,987	48,898,139
3	Water	19,030	10,671,680	19,805	16,337,878	17,987	11,731,103
4	Electricity	18,860	39,861,600	19,179	52,278,593	19,437	47,334,224
5	<b>TOTAL</b>		<b>129,567,736</b>		<b>161,237,206</b>		<b>156,807,708</b>

Mayor of Drakenstein Municipality, Ald CJ Poole, and the Council have made substantial strides towards implementing the revised vision of Drakenstein, "A city of excellence" throughout the operations of Council and the Administration in the year under review.

### 3.29.1 Service Statistics

The Municipal Council adopted priorities for the Municipality, Executive Mayor and other political structures to meet on a regular basis in order to ensure that decision-making takes place in an efficient and effective manner.

Regular performance reports in terms of the Performance Management System, together with monthly reports to the Mayoral Committee and Council, provide these structures with continuous information on progress made with the achievement of targets as well as the implementation of decisions taken by them. These systems have been further enhanced by the issuing of electronic devices to Councillors and the procurement of an electronic system generating reports to the Portfolio Committees, the Mayoral Committee and Council.

**Table 111: Service Statistics for the Executive and Council**

Service Statistics for the Executive and Council				
Serial No	Council and Committee Structures	No. of meetings		
		2017/18	2018/19	2019/20
Column Ref.	A	B	C	D
1	Mayoral Committee	24	20	17
2	Special Mayoral Committee	4	2	2
3	Council	11	11	10
4	Special Council	6	3	4
5	Special Confidential Council	1	0	1
6	Corporate Services Portfolio Committee	8	7	6
7	Community Services Portfolio Committee	6	8	6
8	Finance Portfolio Committee	19	12	10
9	Engineering Services Portfolio Committee	7	6	5
10	Planning and Development Portfolio Committee	7	10	5
11	Municipal Public Accounts Committee (MPAC)	4	2	3
12	Appeal Committee	5	0	1
13	Audit Committee	6	7	7
14	Fraud and Risk Management Committee	4	4	4
15	Budget Steering Committee	3	11	10



## 5.10 CAPITAL SPENDING ON FIVE LARGEST PROJECTS

Table 167: Capital Spending of Five Largest Capital Projects

Capital Expenditure of Five Largest Projects						
Serial No.	Name of project	Current year			% Variance year	
		Original Budget	Adjustments Budget	Actual Expenditure	Original Variance	Adjustments Variance
Column Ref.	A	B	C	D	E	F
1	Upgrading Of Oosbosch Street	17,500,000	34,014,937	34,777,211	-98.73%	-2.24%
2	Replace/Upgrade Water Reticulation System	9,600,000	24,739,761	17,772,072	-85.13%	28.16%
3	Electrification Housing Projects	15,000,000	15,000,000	14,902,790	0.65%	0.65%
4	Simondium Land	0	14,089,702	14,089,702	#DIV/0!	0.00%
5	Wellington WWTW Rehabilitation and Extensions	1,186,438	12,066,728	12,065,712	-916.97%	0.01%

## 5.11 BASIC SERVICES AND INFRASTRUCTURE BACKLOGS

The Engineering Services Department render the core of basic services to the community. The Department is responsible for the supply of water, waste water, electricity and waste management services to the community.

### 5.11.1 Service Backlogs

The basic services backlogs are depicted in the table below. Drakenstein Municipality supply basic water, waste water and waste management services to all its residents within the urban areas. Electricity is supplied to all Drakenstein's residents by the Municipality and Eskom together. Some estates are supplied with a bulk electricity connection and the home owners associations do their own internal electricity reticulation.

About 2,728 structures in the informal settlements do not have access to electricity.

Table 168: Basic Services Backlogs

Service Backlogs as at 30 June 2020					
Households (HHs)					
Serial No.	Basic Service	Service Level Above Minimum Standard		Service Level Below Minimum Standard	
		No. of HHs	% of HHs	No. of HHs	% of HHs
Column Ref.	A	B	C	D	E
1	Water	73 725	99.3%	*505	0.7%
2	Waste Water	72 750	98.0%	*1 480	2.0%
3	Electricity	46 017	94.4%	**2,728	5.5%
4	Waste Management	42 027	99.6%	0	0.0%

\*Include farms which do not form part of the municipal water reticulation system.  
 \*\*Structures in informal settlements with no access to electricity.

## ANNEXURE I: DISCLOSURES OF FINANCIAL INTEREST

Table 189: Disclosure of Financial Interests

Disclosure of Financial Interests		
Period 1 July 2019 to 30 June 2020		
Position	Name	Description of Financial Interest
<b>Executive Mayor</b>		
Executive Mayor	Ald CJ Poole	No financial interest to declare.
<b>Deputy Executive Mayor</b>		
Deputy Executive Mayor	GC Combrink	<p><b>Shares and Securities in any company:</b></p> <ul style="list-style-type: none"> <li>Santam; and</li> <li>Old Mutual.</li> </ul> <p><b>Membership of close corporation:</b></p> <ul style="list-style-type: none"> <li>HR Business Academy CC</li> </ul> <p><b>Interest in any trust:</b></p> <ul style="list-style-type: none"> <li>Kaizen Family Trust (trustee),</li> <li>SALA Pension Fund Trust (trustee); and</li> <li>JPS Trust (trustee).</li> </ul> <p><b>Directorship:</b></p> <ul style="list-style-type: none"> <li>Paarl Feesmark NPO; and</li> <li>Prospherum Skills Academy NPC.</li> </ul> <p><b>Interest in property:</b></p> <ul style="list-style-type: none"> <li>Residence</li> </ul> <p><b>Employment and remuneration:</b></p> <ul style="list-style-type: none"> <li>Drakenstein Municipality as Councillor</li> </ul> <p><b>Pension:</b></p> <ul style="list-style-type: none"> <li>Glacier (Sanlam)</li> </ul>
<b>Members of Mayoral Committee</b>		
Portfolio: Rural Management	M Andreas	<p><b>Shares and Securities in any company:</b></p> <ul style="list-style-type: none"> <li>Bosman Adama Werkers Trust</li> </ul> <p><b>Interest in any Trust:</b></p> <ul style="list-style-type: none"> <li>Bosman Adama</li> </ul> <p><b>Directorship:</b></p> <ul style="list-style-type: none"> <li>Bosman Adama Trust Board; and</li> <li>Adama Wines.</li> </ul> <p><b>Partnerships:</b></p> <ul style="list-style-type: none"> <li>Own shares</li> </ul> <p><b>Interest in Property:</b></p> <ul style="list-style-type: none"> <li>31 Maurice Street, Wellington</li> </ul> <p><b>Pension:</b></p> <ul style="list-style-type: none"> <li>Sygnia Pension Fund</li> </ul>
Portfolio: Social Services	E Gouws	No financial interest to declare.
Portfolio: Environment, Parks and Open Spaces	C Kearns	<p><b>Interest in property:</b></p> <ul style="list-style-type: none"> <li>17 Levine Street, Wellington</li> </ul> <p><b>Pension:</b></p> <ul style="list-style-type: none"> <li>CRF Fund</li> </ul>



Disclosure of Financial Interests

Period 1 July 2019 to 30 June 2020

Position	Name	Description of Financial Interest
Portfolio: Engineering Services	JF le Roux	<p><b>Membership of any close corporation:</b></p> <ul style="list-style-type: none"> <li>Nanini 199 CC (private investments BK – in process of finalisation after sale of property).</li> </ul> <p><b>Interest in any trust:</b></p> <ul style="list-style-type: none"> <li>Koos le Roux Family Trust (caretaker);</li> <li>FS Malan Trust (trustee); and</li> <li>HH Le Roux Family Trust (trustee).</li> </ul> <p><b>Other financial interest in any business undertaking:</b></p> <ul style="list-style-type: none"> <li>Koos le Roux Attorneys (sole owner); and</li> <li>Wamaker Beleggings (Edms) Bpk (Secretary).</li> </ul> <p><b>Interest in Property:</b></p> <ul style="list-style-type: none"> <li>Residence (Erf)</li> </ul> <p><b>Employment and remuneration:</b></p> <ul style="list-style-type: none"> <li>Income from practice; and</li> <li>Councillor.</li> </ul> <p><b>Pension:</b></p> <ul style="list-style-type: none"> <li>CRF</li> <li>Municipal Councillors Pension Fund</li> </ul>
Portfolio: Planning and Development	J Miller	<p><b>Shares and Securities in any company:</b></p> <ul style="list-style-type: none"> <li>PSG;</li> <li>Sanlam;</li> <li>Old Mutual;</li> <li>Allan Gray; and</li> <li>GERF.</li> </ul> <p><b>Interest in property:</b></p> <ul style="list-style-type: none"> <li>Residence private property/house</li> </ul> <p><b>Employment and remuneration:</b></p> <ul style="list-style-type: none"> <li>Pension; and</li> <li>Full-time Mayco Member</li> </ul> <p><b>Pension:</b></p> <ul style="list-style-type: none"> <li>GERF;</li> <li>Old Mutual;</li> <li>Sanlam; and</li> <li>Allan Gray.</li> </ul>
Portfolio: Corporate Services	LP Mokoena	<p><b>Directorship:</b></p> <ul style="list-style-type: none"> <li>Azakhiwe Construction and Projects (Pty) Ltd</li> </ul> <p><b>Other financial interest in any business undertaking:</b></p> <ul style="list-style-type: none"> <li>Tsethi Pty Ltd; and</li> <li>Duvhaletu Co-op.</li> </ul> <p><b>Pension:</b></p> <ul style="list-style-type: none"> <li>Yes.</li> </ul>
Portfolio: Public Safety	R Smuts	<p><b>Interest in property:</b></p> <ul style="list-style-type: none"> <li>Residence</li> </ul> <p><b>Pension:</b></p> <ul style="list-style-type: none"> <li>Municipal Council Pension Fund;</li> <li>MC PF;</li> </ul>

Disclosure of Financial Interests		
Period 1 July 2019 to 30 June 2020		
Position	Name	Description of Financial Interest
		<ul style="list-style-type: none"> <li>• GEPF; and</li> <li>• CRF.</li> </ul>
<b>Portfolio:</b> Sport, Recreation, Arts and Culture	LT van Niekerk	<b>Interest in property:</b> <ul style="list-style-type: none"> <li>• Own property</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>• CRF.</li> </ul>
<b>Portfolio:</b> Communication and IGR	RH van Nieuwenhuyzen	<b>Interest in any Trust:</b> <ul style="list-style-type: none"> <li>• 25% Irmgard Trust</li> </ul> <b>Interest in Property:</b> <ul style="list-style-type: none"> <li>• Keurbosch 7 (50%)</li> <li>• Keurbosch 17 (50%)</li> <li>• Kampus Studio (50%)</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>• GEPF.</li> </ul>
<b>Portfolio:</b> Human Settlement and Property Management	L Willemse	<b>Pension:</b> <ul style="list-style-type: none"> <li>• CRF</li> </ul>
Speaker		
Speaker	AC Stowman	No financial interest to declare.
Chief Whip		
Chief Whip	RA Koegelenberg	<b>Shares and Securities in any company:</b> <ul style="list-style-type: none"> <li>• Old Mutual; and</li> <li>• Sanlam.</li> </ul> <b>Interest in any trust:</b> <ul style="list-style-type: none"> <li>• De Berge Trust - Family Trust (Caretaker);</li> <li>• C and L Koegelenberg Family Trust (Trustee);</li> <li>• De Berge Trust (Initiator);</li> <li>• High School Paarl Gimnasium 1980 Trust (Trustee);</li> <li>• Gimnasium Trust (Church) (Trustee).</li> </ul> (No compensation, only interest). <b>Interest in property:</b> <ul style="list-style-type: none"> <li>• Residence; and</li> <li>• Trust in property.</li> </ul>
Councillors		
Councillor	AW Abrahams	No financial interest to declare.
	MM Adriaanse	No financial interest to declare.
	AF Afrika	<b>Pension:</b> <ul style="list-style-type: none"> <li>• Late husband</li> </ul>
	JV Anderson	<b>Interest in property:</b> <ul style="list-style-type: none"> <li>• Residence</li> </ul>
	RB Arnolds	No financial interest to declare.
	A Bekeer	No financial interest to declare.
	TG Bester	<b>Interest in property:</b> <ul style="list-style-type: none"> <li>• Residence – (50%)</li> </ul>

**Disclosure of Financial Interests**

**Period 1 July 2019 to 30 June 2020**

<b>Position</b>	<b>Name</b>	<b>Description of Financial Interest</b>
		<b>Pension:</b> <ul style="list-style-type: none"> <li>• Interest from annuity at Sanlam</li> </ul>
	DS Blanckenberg	<b>Interest in Property:</b> <ul style="list-style-type: none"> <li>• Erf at Hantam Municipality (not registered on his name yet)</li> </ul>
	V C Booysen	<b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>• Ward Councillor</li> </ul>
	AML Buckle	<b>Shares &amp; Securities in any company:</b> <ul style="list-style-type: none"> <li>• Zeder Inv LTD</li> </ul> <b>Interest in any trust:</b> <ul style="list-style-type: none"> <li>• AML Buckle (owner)</li> </ul> <b>Directorship:</b> <ul style="list-style-type: none"> <li>• Turnstone Trading 28 PTY Ltd</li> </ul> <b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>• Monte Video Guest House; and</li> <li>• Favourite Fresh Export.</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>• Momentum</li> </ul>
	FP Cupido	<b>Pension:</b> <ul style="list-style-type: none"> <li>• Cape Retirement Fund</li> </ul>
	PBA Cupido	<b>Pension:</b> <ul style="list-style-type: none"> <li>• Cape Retirement Fund</li> </ul>
	CO Davids	<b>Pension:</b> <ul style="list-style-type: none"> <li>• Yes</li> </ul>
	HR de Goede	<b>Shares and Securities in any company:</b> <ul style="list-style-type: none"> <li>• Sanlam</li> </ul> <b>Interest in property:</b> <ul style="list-style-type: none"> <li>• Residence – 75 Hospital Street, Paarl</li> </ul> <b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>• NG Kerk Paarlberg (Administrative Manager)</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>• Annuity</li> </ul>
	J de Wet	<b>Pension:</b> <ul style="list-style-type: none"> <li>• Yes</li> </ul>
	B Duba	<b>No financial interest to declare.</b>
	GH Ford	<b>No financial interest to declare.</b>
	NN George	<b>No financial interest to declare.</b>
	F Jacobs	<b>No financial interest to declare.</b>
	SX Jonas	<b>Membership of close corporation:</b> <ul style="list-style-type: none"> <li>• Gqwesa Cleaning Services</li> </ul>
	MT Klaas	<b>Membership of close corporation:</b> <ul style="list-style-type: none"> <li>• Not active</li> </ul> <b>Directorship:</b> <ul style="list-style-type: none"> <li>• ABS Pty (Ltd)</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>• CFR</li> </ul>

Disclosure of Financial Interests

Period 1 July 2019 to 30 June 2020

Position	Name	Description of Financial Interest
	H J Kotze	<b>Interest in any trust:</b> <ul style="list-style-type: none"> <li>Eisenburg Agriculture College (no remuneration); and</li> <li>Kotze Family Trust (no remuneration).</li> </ul>
	C Kroutz	<b>No financial interest to declare.</b>
	L Landu	<b>Shares and Securities in any company:</b> <ul style="list-style-type: none"> <li>Hamba Bhekile Arts, Craft and Décor; and</li> <li>Hamba Bhekile Wine.</li> </ul> <b>Directorship:</b> <ul style="list-style-type: none"> <li>Hamba Bhekile Wine</li> </ul> <b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>Drakenstein Municipality; and</li> <li>Cape Winelands District Municipality.</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>Consolidated Retirement Fund.</li> </ul>
	M le Hoe	<b>Membership of close corporation:</b> <ul style="list-style-type: none"> <li>OEHL Marketing and Services (80%)</li> </ul>
	A Luggola	No financial interest to declare.
	TC Mangena	<b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>Councillor at Drakenstein Municipality</li> </ul>
	ZL Masoka	<b>No financial interest to declare.</b>
	HJN Mathee	<b>Interest in any trust:</b> <ul style="list-style-type: none"> <li>Mathee Family Trust – Residence;</li> <li>DALA Trust;</li> <li>LM du Toit Trust; and</li> <li>JMC Trust.</li> </ul> <b>Other financial interest in business undertaking:</b> <ul style="list-style-type: none"> <li>Accounting solutions</li> </ul> <b>Interest in property:</b> <ul style="list-style-type: none"> <li>Mathee Family Trust - Residence</li> </ul> <b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>Berg River Irrigation</li> </ul>
	J Mathee	<b>No financial interest to declare.</b> (Councillor until 29/02/2020)
	NP Mbenene	No financial interest to declare.
	MN Mdunusie	No financial interest to declare.
	WPD Meyer	<b>Pension:</b> <ul style="list-style-type: none"> <li>SASSA.</li> </ul>
	ND Mkabile	<b>(Councillor until 27 February 2019)</b>
	TR Mpulanyana	<b>Shares and Securities in any company:</b> <ul style="list-style-type: none"> <li>Mvulamva Holdings</li> </ul> <b>Membership of any close corporation:</b> <ul style="list-style-type: none"> <li>Mvulamva Holdings</li> </ul> <b>Directorship</b> <ul style="list-style-type: none"> <li>Mvulamva Holdings.</li> </ul>



**Disclosure of Financial Interests**

**Period 1 July 2019 to 30 June 2020**

<b>Position</b>	<b>Name</b>	<b>Description of Financial Interest</b>
	RH Nell	<b>Membership of any close corporation:</b> <ul style="list-style-type: none"> <li>Southern Aubition 61CC</li> </ul> <b>Directorship:</b> <ul style="list-style-type: none"> <li>Southern Aubition 61CC</li> </ul>
	LW Niehaus	<b>Membership of any close cooperation:</b> <ul style="list-style-type: none"> <li>Cape Winelands Judo (Chairperson)</li> <li>Western Cape Judo (Chairperson)</li> <li>Cape Winelands Sport Council (Deputy Chairperson); and</li> <li>AGS Pinksterpark Home Owners Council</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>Local Government</li> </ul>
	MD Nobula	No financial interest to declare.
	TZ Nomana Nqoro	<b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>Drakenstein Municipality as Councillor</li> </ul>
	LV Nzele	No financial interest to declare.
	SC Rens	No financial interest to declare.
	AM Richards	<b>Membership of close corporation:</b> <ul style="list-style-type: none"> <li>Richcorp Trading CC</li> </ul> <b>Interest in any trust</b> <ul style="list-style-type: none"> <li>Yusuf and Salaama Bursary Trust; and</li> <li>Paarl Small Business Trust.</li> </ul> <b>Directorship:</b> <ul style="list-style-type: none"> <li>Ou Tuin CPA;</li> <li>Ou Tuin (Pty) (Ltd); and</li> <li>Paarl Property Partnership.</li> </ul> <b>Interest in property:</b> <ul style="list-style-type: none"> <li>Klein Parys, Paarl</li> </ul>
	B Rix	No financial interest to declare.
	CS Ross	<b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>Councillor at Drakenstein Municipality</li> </ul>
	LS Sambokwe	<b>Pension:</b> <ul style="list-style-type: none"> <li>Drakenstein Municipality</li> </ul>
	ND Sauerma	<b>Shares and securities in any company:</b> <ul style="list-style-type: none"> <li>Solar Energy Land (5% share)</li> </ul> <b>Directorship:</b> <ul style="list-style-type: none"> <li>Solar Energy Land (5% share)</li> </ul> <b>Other financial interests in any business undertaking:</b> <ul style="list-style-type: none"> <li>Consultant in Nical Sauerma in labour matters</li> </ul> <b>Interest in property:</b> <ul style="list-style-type: none"> <li>Residence</li> </ul> <b>Employment an remuneration:</b> <ul style="list-style-type: none"> <li>R300, 000 as consultant in Nical Sauerma in labour matters for own account.</li> </ul>
	S September	No financial interest to declare.
	Z Siyaya	<b>Shares and securities in any company:</b> <ul style="list-style-type: none"> <li>50% shares in Siyaya African Holdings Pty (Ltd); and</li> </ul>

Disclosure of Financial Interests		
Period 1 July 2019 to 30 June 2020		
Position	Name	Description of Financial Interest
		<ul style="list-style-type: none"> <li>50% Mpokopnelo Holdings.</li> </ul> <b>Directorship:</b> <ul style="list-style-type: none"> <li>Siyaya African Holdings Pty (Ltd); and</li> <li>Mpokopnelo Holdings.</li> </ul> <b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>ANC</li> </ul> <p>(Councillor until 29/2/2020)</p>
	J Smit	<b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>Councillor at Cape Winelands District Municipality</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>GEPF</li> </ul>
	WE Smit	<b>Shares and securities in any company:</b> <ul style="list-style-type: none"> <li>JvZ Verhurings</li> </ul> <b>Interest in any trust:</b> <ul style="list-style-type: none"> <li>Toss Smit Trust;</li> <li>Johannes van Zyl Smit;</li> <li>Welhelmina Elizabeth Smit;</li> <li>Madre Malan;</li> <li>Marie Smit Bester; and</li> <li>Ian Arthur Brotherton.</li> </ul> <p>(Passed away on 8 March 2020 )</p>
	EA Solomons	No financial interest to declare.
	M Vika	No financial interest to declare.
	A J van Santen	<b>Interest in any Trust:</b> <ul style="list-style-type: none"> <li>Abri Trust (Beneficiary and Trustee)</li> </ul> <b>Partnership:</b> <ul style="list-style-type: none"> <li>AJ van Santen Boerdery (Partner)</li> </ul> <b>Employment and remuneration:</b> <ul style="list-style-type: none"> <li>Admin Manager - AJ van Santen Boerdery</li> </ul> <b>Pension:</b> <ul style="list-style-type: none"> <li>Annuity at Old Mutual</li> </ul>
	M Vika	No financial interest to declare.
	E Windvogel	No financial interest to declare.
	N Zikhali	No financial interest to declare.
Strategic Management Team		
City Manager	Dr Leibbrandt	No financial interest to declare.
Chief Financial Officer	Mr B Brown	No financial interest to declare.
	Mr J Carstens	No financial interest to declare.
Executive Director: Corporate Services	Mr S Johaar	No financial interest to declare.

**Minutes of the  
Municipal Public  
Accounts Committee  
12 May 2021**

**DRAKENSTEIN MUNICIPALITY**

**MINUTES OF AN ORDINARY VIRTUAL MEETING OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE ON WEDNESDAY, 12 MAY 2021 AT 09:00.**

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**PRESENT:**      **Councillors:**            **M J le Hoe (Chairperson)**  
   **A M L Buckle**  
   **Ald A Bekeer**  
   **J de Wet**  
   **A J van Santen**  
   **L S Sambokwe**

**ALSO PRESENT:**                    **R A Koegelenberg            (Chief Whip)**  
   **R Najjaar                        (Audit Committee)**  
   **R Jafthas                        (Auditor-General)**  
   **K Abrahams                    (Auditor-General)**  
   **N Henge                         (Western Cape Provincial  
   Government)**

**Officials:**                            **Dr J H Leibbrandt            (City Manager)**  
   **Mr B Brown                    (Chief Financial Officer)**  
   **S Johaar                         (Executive Director: Corporate  
   Services)**  
   **G Esau                            (Executive Director:  
   Community Services)**  
   **M Wust                         (Executive Director: Engineering  
   Services)**  
   **D Delaney                      (Acting Executive Director:  
   Planning and Development)**  
   **R Jaftha                         (Chief Audit Executive)**  
   **N October                      (Snr Manager Legal and  
   Administrative Service)**  
   **C September                    (Manager: IDP)**  
   **G Dippenaar                    (Chief Risk Officer)**  
   **F P Goosen                      (Manager: Administrative Support  
   Services)**  
   **P January                        (Senior Administrative Officer)**

**ABSENT:**                    **Councillor:**            **N N George**





**MINUTES: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**  
**12 MAY 2021**

**1. DECLARATION OF INTEREST BY COUNCILLORS AND OFFICIALS**

None.

**2. CONFIRMATION OF MINUTES**

The minutes of the Ordinary virtual meeting of the Municipal Public Accounts Committee held on 20 October 2020 was **confirmed as correct.**

**3. AUDITOR-GENERAL BRIEFING NOTE: 12 MAY 2021**

Ms K Abrahams from the Office of the Auditor-General briefed the Committee on the document which aim is to provide an executive summary of the audit outcomes for the 2019/2020 financial year.

**RESOLVED that**

The report to be noted.

Meeting: MPAC: 12/05/2021	Submitted by Department : Financial Services		
Ref No:	Author/s:		
Coll No:	Referred from:		
<u>CLAUSE:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>

**4. OVERSIGHT REPORT ON THE 2019/2020 ANNUAL REPORT**

The Committee considered the following documents:

1. Annual Report 2019/2020;
2. Draft Oversight Report on the 2019/2020 Annual Report;
3. Written comments received on the Draft Annual Report; and
4. Annual Report corrected and replacement pages.

After reading the recommendations in the report, the Chairperson allowed the Chief Financial Officer and the members of MPAC the opportunity to provide further input.

Councillor Bekeer expressed his concerns on the following matters as reflected in the Draft Annual Report:

- Safety and security aspects as contained on p. 37;
- Quality of water in terms of sewerage spilling in the Berg River, as contained on p. 38;

"A3 page 2 of 4"

**MINUTES: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**  
**12 MAY 2021**

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- Water supply to rural areas as contained on p. 98; and
- The total number of posts not filled as contained on p. 219.

Questions were addressed to the satisfaction of the Committee.

After further discussion it was,

**UNANIMOUSLY RESOLVED that**

It be recommended to Council that:

1. Council adopts the Oversight Report on the 2019/2020 Annual Report;
2. Council approves the 2019/2020 Annual Report without any reservations;
3. The Oversight Report on the 2019/2020 Annual Report be made public in accordance with Section 129(3) of the Municipal Finance Management Act; and
4. The Oversight Report on the 2019/2020 Annual Report, the final 2019/2020 Annual Report and the minutes of the MPAC meeting held on 12 May 2021 be submitted, in accordance with Section 129(2) and 132(2) of the Municipal Finance Management Act, to the Auditor-General of South Africa, Western Cape Provincial Treasury, Western Cape Department of Local Government and the Western Cape Provincial Legislature.

Meeting: MPAC: 12/05/2021	Submitted by Department: Financial Services		
Ref No: 9/1/2	Author/s: B Brown		
Coll No: 1751572	Referred from:		
<u>CLAUSE:</u>	<u>ACTION:</u>	<u>RESPONSIBLE DEPT:</u>	<u>DUE DATE:</u>
	Refer to Council	Administration	

**MINUTES: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**  
**12 MAY 2021**

<b>5. 2019/2020 AUDITED ANNUAL FINANCIAL STATEMENTS: REPORT ON UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE</b>
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The Chief Financial Officer provided background information on the reasons for the irregular expenditure.

**UNANIMOUSLY RESOLVED that**

It be recommended to Council that:

Council certifies the irregular expenditure amount of R1,118,585 for the 2019/2020 financial year as irrecoverable and to be written-off in note 51.2 of the 2019/2020 annual financial statements.

Meeting: MPAC: 12/05/2021	Submitted by Department: Financial Services
Ref No: 5/12/2/6 (2019/2020)	Author/s: B Brown
Coll No: 1751533	Referred from:
<b>CLAUSE:</b>	<b>ACTION:</b>
	Refer to Council
<b>RESPONSIBLE DEPT:</b>	<b>DUE DATE:</b>
Administration	

The meeting ended at 09:50.

**CHAIRPERSON:** .....

**DATE:** .....

Confirmed on .....**with / without** amendments.

*PJ/mg*