EXCTRACT OF THE MINUTES OF THE 168TH COUNCIL MEETING HELD ON 29 JULY 2026

“9.1 ***MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 79A (MPAC): OVERSIGHT REPORT ON THE ANNUAL REPORT FOR 2024/25 FINANCIAL YEAR.***

RESOLVED

THAT the draft oversight report on 2024/2025 be hereby approved with the following reservations;

Municipal Public Accounts Committees (MPAC) recommend to Council to adopt the Annual Report with the following reservations;

- ***THAT*** *All MPAC recommendations be adopted and implement with its time frames.*
- ***THAT*** *Annual Report 2024/2025 be approved in terms of section 127 of the MFMA (ACT no 56 of 2003)*
- ***THAT*** *the 2024/2025 Oversight Report of the Sedibeng District Council be made Public in terms of section 129(3) of the MFMA.”*

COUNCIL 168 – 2026-07-29

8.1 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE 79A (MPAC): OVERSIGHT REPORT ON THE ANNUAL REPORT FOR 2024/25 FINANCIAL YEAR.

MPAC – 2026-07-15-17

1. PURPOSE

To present before Council, MPAC oversight report on the Annual Report for 2024/25 Financial Year for approval.

2. INTRODUCTION

The Council's oversight function is one of the cornerstones of democracy and an indicator of good governance. Oversight is a key function of governance that is aimed at ensuring that activities are implemented as planned by providing strategic direction to principal recipients, ensuring policies and procedures are met, instituting financial controls (including independent audits), and following through with key recommendations. The oversight concept encompasses many aspects which include political, administrative, financial, ethical, legal and strategic elements. Therefore, the core function of oversight is to ensure that resources are used efficiently and effectively for the benefit of the society at large.

Legislatures exercise their oversight prerogative based upon the existence of a legal framework that guarantees their powers and independence within the political system. Oversight detects and prevents abuse, illegal and unconstitutional conduct by the executive authority and public agencies. At its core, the oversight function aims to protect the rights and liberty of citizens.

3. BACKGROUND

According to the Municipal Finance Management Act (MFMA) Act No. 56 of 2003 as well as Circular No. 63 of the National Treasury the committee has been mandated to perform oversight on public accounts of the municipality. The preparation of the draft oversight report was guided by the Treasury framework and the committee's Terms of Reference as approved by Council. These documents serve as guidelines in outlining the work of the committee. And also in the process of concluding this exercise a new reporting template issued by the National Treasury has been of great assistant.

4. DISCUSSIONS

The Annual Report was tabled before Council on 29th January 2026 and after that process it was the Annual report was referred to MPAC for the Committee conduct an oversight and submit the report after 60 days in terms of section 127/129 of the municipal finance management act. The committee will be expected to table the oversight report end of March 2026 as part of compliance. The committee could not submit as expected due to vote of no confidence of executive mayor and it destabilized the administrational operations and it will be tabled end of July 2026

LIST OF DOCUMENTS

A list of documents were considered in the process of finalization of the oversight report, not all documents will be attached to the report, only those documents that had a direct bearing on the work of the committee are attached. Other documents can be found in the Office of the Speaker and MPAC Office for inspection or perusal and for the purpose of transparency and the promotion of good governance. Attached are the following:

Annexure "A"- Oversight Report
Annexure "B"- Audit Action Plan

5. FINANCIAL IMPLICATIONS

NONE

6. LEGAL AND CONSTITUTIONAL IMPLICATIONS

- Constitution of the Republic of South Africa, 1996
- Local Government: Municipal Structures Act No. 117 of 1998
- Local Government: Municipal Systems Act No. 32 of 2000
- Local Government: Municipal Finance Management Act No. 56 of 2003
- Local Government: Municipal Finance Management Act No. 56 of 2003, and Circular 63.

7. ALIGNMENT TO COUNCIL STRATEGIES

This report is aligned to the following strategies of the municipality:

- Effective management of Council Business
- Strengthening oversight and accountability

8. CONCLUSION

The Annual Report for the financial year 2023/24 complied with tabling of the Annual Report. The committee also picked grey areas to the report and advice the administration to take its work very serious as this report has to be tabled to public. The committee will ensure that the institution is geared towards sustaining the current outcome and furthermore monitor the gradually improvement of the local municipalities in attaining the clean audit through the IGR district policy framework. Municipal Public Accounts Committee advice the municipality to consider and implement the comments made by Provincial stakeholders as part of enhancing quality reporting. Inviting few clusters was as a result of improvements by other cluster which the committee applauds and wishes that all departments will follow suit in future. The committee express its appreciation to the EM, Mayoral, Whips, Mayco and Internal Audit for attending the Strategic Retreat and responding to matters raised by MPAC on the annual report.

THE MPAC RECOMMENDS TO COUNCIL THAT;

1. MPAC committee investigated and conclude on the UIFWs and present a comprehensive detailed report to Council on the committee's findings in the next Council meeting on July 2026.
2. The independent body be appointed to investigation Security Company (JMP) and submit a detailed comprehensive report on the mitigation against the historic burglaries in the municipality by end of August 2026.
3. Consequence Management Policy and oversight by management should be implemented to instill the discipline of taking action for the officials who have not taken the responsibility of implementing the correct actions over the remediation process of the findings
4. Municipal Manager must ensure that Risk and Supply Chain Department/Personnel be capacitated with capable employee to avoid the risk of always getting the repeat findings.
5. Risk management must provide quarterly report through accounting officer and present to Council as part of improving the audit outcomes of the municipality before the AG can raise concerns,
6. Accounting Officer and Finance department must review all contracts and present the comprehensive reports to Council by end of August 2026
7. Council to approve organizational structure and fill critical position especially Director: Legal & Support and Director: Financial Management end of October 2026.

9. RECOMMENDATIONS:

It is therefore recommended:

9.1 THAT the draft oversight report on 2024/2025 be hereby approved with the following reservations;

Municipal Public Accounts Committees (MPAC) recommend to Council to adopt the Annual Report with the following reservations;

- **THAT** All MPAC recommendations be adopted and implement with its time frames.
- **THAT** Annual Report 2024/2025 be approved in terms of section 127 of the MFMA (ACT no 56 of 2003)
- **THAT** the 2024/2025 Oversight Report of the Sedibeng District Council be made Public in terms of section 129(3) of the MFMA,

- **THAT** Oversight Report and Annual report for the 2024/2025 financial year be submitted to the Provincial Legislature in terms of section 132(2) of the MFMA