KAI !GARIB LOCAL MUNICIPALITY

NC082

2023/24 OVERSIGHT REPORT ON THE 2023/24 ANNUAL REPORT

DATE: 31 March 2025

VENUE: Keimoes

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MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MEMBERS

No	Position	Name
1	Chairperson	MJ. Basson
2	Municipal Manager	A. Johnson
3	Member	AP. Presley
4	Member	A. Kampher
5	Member	M. Basson

1. Introduction

In accordance with section 121 of the Municipal Finance Management Act (MFMA) all municipalities must compile an Annual Report with the intent purpose of reporting on the activities of the Municipality for a specific financial year.

The relationship between the IDP, Budget and Annual Report is well documented in National Treasury's MFMA circular no. 11, which stated, "The IDP and Budget is forward looking, they set out what a municipality intends to do and the funds it will raise and spend. The Annual Report on the other hand, is backward looking as it reports on actual performance at the end of the financial year."

In compiling the document Task Team was appointed to formulating the Draft Annual Report.

Once all the information was gathered it was consolidated into the format provided by National Treasury. All directors were approached to ensure the accuracy of the said information.

The oversight report is the final major step in the annual reporting process of a municipality in accordance with section 129 of the MFMA. This section determines that the Oversight Report is to be adopted by council during March of each year.

2. Legal Framework

Section 46 of the Municipal Systems Act requires the municipality to prepare a Performance Report for each financial year, which reflects the performance of the municipality as measured by predetermined targets as well as the performance of the previous year. The Annual Performance Report (APR) must form part of the Municipality's Annual Report in terms of section 127 (1) of the MFMA.

Kai !Garib Local Municipality tabled its Draft Annual Report on 31 January 2025 in accordance with section 127 (2) of the MFMA. The Draft Annual Report was made public in terms of section 127 (5) of the same act and the closing date for public submissions was on 31 March 2025.

3. The oversight committee

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 the Council, the Executive and the 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.

The functions of the Municipal Public Accounts Committee are stipulated in the guidelines provided by National Treasury.

Section 129 (4) of the MFMA further provides for the issuance of guidance on the manner in which municipal councils should consider annual reports and conduct public hearings, and the functioning and composition of any public accounts or oversight committees established by the council to assist it to consider an annual report

The primary functions of the MPAC are inter alia

i. To consider and evaluate the content of the annual report and to make recommendations to council when adopting an oversight report on the Annual Report.

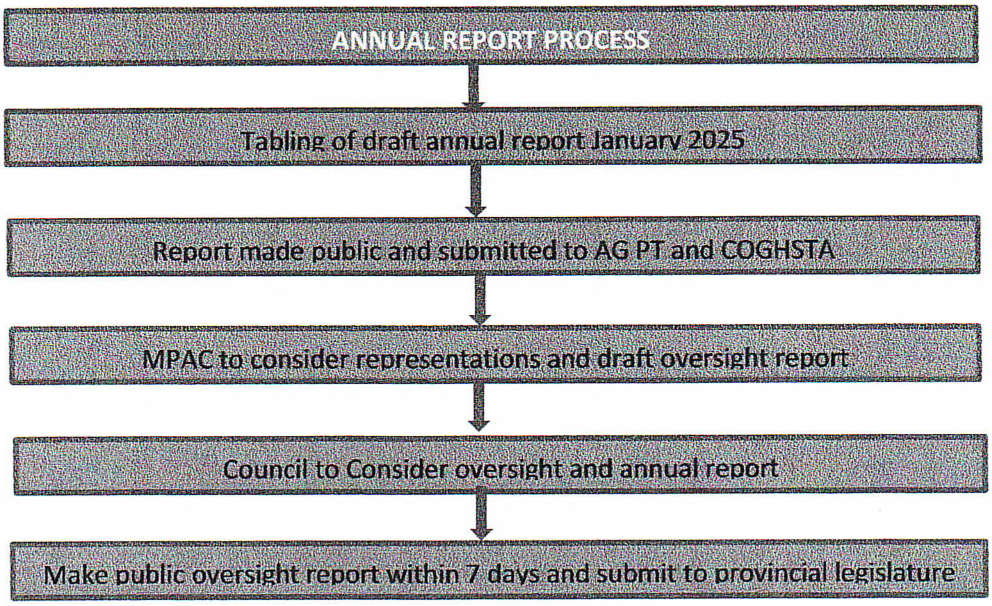
ii. In order to assist with the conclusion of matters that may not be finalized, information relating to past recommendations made on the Annual Report must also be reviewed. This related to current in-year reports, including the quarterly, mid - year and annual reports.

4. Executive summary

In terms of the Municipal Finance Management Act (Act No 56 of 2003) and the Municipal Systems Act (Act No 32 of 2000), each municipality must prepare an Annual Report for each financial year. The purpose of the Annual Report is to:

- Any recommendations of the Municipality's Audit Committee

7. The process to be followed



8. **Conclusion**

The Municipal Public Accounts Committee recommends that:

i. Council having fully considers the Annual Report of Kai !Garib and the representations thereon, adopt the oversight report and the Annual Report (2023/2024) without reservation.

M.S Basson.

CLLR. M.J. BASSON

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE, CHAIRPERSON. (MPAC)