



Office of the Speaker

MOPANI DISTRICT MUNICIPALITY

Private Bag X9687
Giyani
0826

Tel: +27 15 811-6300
Fax: +27 15 812-4301
E-mail: Maepam@mopani.gov.za

REF: 3/2/6/3

ENQUIRIES: Chauke DD

DATE: 28 April 2023

TO WHOM IT MAY CONCERN

Council Resolution Extract Number OCM/03/2023 of an Ordinary Council
Sitting held on 25 April 2023:

OCM/03/2023	F: 3/2/6/3	OVERSIGHT REPORT ON THE FIRST QUARTER PERFORMANCE REPORT
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RESOLVED:

1. That all council committee's resolutions be prioritised and resolved as a matter of urgency;
2. That the Accounting officer to table to Council a progress report on the implementation of MPAC Recommendations on a quarterly basis;
3. Council to play oversight on outstanding resolutions and matters that are due by management;
4. The PMU and Budget and Treasury (SCM) to provide forward planning to Council on plans to avoid roll-overs and to improve on grant spending;
5. That PMU, Resident Engineer and PSC should ensure regular monitoring of projects;
6. That there should be a spontaneous improvement on poor performance;
7. That Management should improve on timeous submission of documents and POE;
8. That written responses to MPAC must be honest, informative and responsive to questions asked;

9. That all relevant Portfolio Committees to monitor the performance of their respective Directorates and keep track of resolutions taken through a resolutions register;
10. That Council adopts the report as presented; and
11. That the report be submitted to CoGHSTA, SALGA and the Provincial MPAC Forum.


CLR NM MASWANGANYI
COUNCIL SPEAKER

05-06-2023
DATE

**MOPANI DISTRICT MUNICIPALITY MPAC
OVERSIGHT REPORT ON THE 1ST QUARTER
PERFORMANCE**



25 APRIL 2023

CHAIRPERSON'S FOREWORD

The report focuses mainly on the performance of the Municipality during the 1st Quarter of the 2022/23 financial year.

Service Delivery & Budget Implementation Plan (SDBIP) is a strategic tool that enables the municipality to evaluate its performance. SDBIP gives effect to the IDP and Budget of the Municipality and this will only be possible if IDP and Budget are fully aligned with each other. The planning document makes it feasible for Council to monitor the performance of the Municipality against quarterly targets on service delivery and also to serve as early warning pointers for underperformance.

It is on this premise that MPAC, guided by legislative imperatives, deems it necessary to apprise Council on the performance status of the Municipality with a view to identify areas for possible improvements. Improved performance is a step towards eradication of service delivery protests; will improve audit outcome of the municipality and will also improve the municipality's output in terms of service delivery. Performance Management is a panacea and the heartbeat of any flourishing organization. Prioritization of performance Management by Mopani District Municipality and its personnel would be a beginning of an end to community dissatisfaction and protests.

TABLE OF CONTENTS

No	Item	Page No
01	Introduction	3
02	Purpose of the Report.....	3
03	Scope of the Report.....	3
04	Methodology.....	3
05	Observations.....	4
06	Findings and Remedial Actions.....	5
07	First Quarter Report per KPA.....	5
08	Recommendations to Council.....	9

1. INTRODUCTION

The report highlights the performance of the Municipality during the first quarter (July to September 2022) of the 2022/23 financial year. Specific focus would be given to the Key Performance Indicators that were not achieved in terms of the Municipality's Service Delivery & Budget Implementation Plan. The Report would briefly look at the relevant legislative prescripts guiding performance management systems in the local government environment. The Report will also provide the processes followed as well as the methodology used that led to the delivery of the final product as well as the findings and recommendations for Council to make its further determination.

2. PURPOSE OF THE REPORT

The purpose of the Report is to apprise Council on the results of the oversight conducted by MPAC on the Municipality's first Quarter Performance report in order for Council to make the necessary intervention where appropriate so that Council resolutions are approved and tracked for implementation.

3. SCOPE OF THE REPORT

The scope of the report covers the first quarter Institutional Performance Report on the SDBIP for the 202/23 financial year. Specific focus would be referred to the key performance indicators versus the set targets in order to assess whether or not, the municipality is performing in terms of the expectation and set targets.

4. METHODOLOGY

As per the compliance MPAC is required to scrutinize the performance report quarterly.

5. FINDINGS & REMEDIAL ACTION

The committee focused specifically on (1) the first Quarter Reports per Key Performance areas in terms of the SDBIP. The table below summarises the findings of the committee per each KPA where the Municipality did not perform satisfactorily:

5.1 FIRST QUARTER REPORTS PER KPA

Investigation under this section was conducted due to the nature of the information that was required.

NO	FINDINGS	RECOMMENDATIONS
KPA 1: MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT		
1.	% of cases were not resolved by the end of the year. The Municipality has had cases that had been dragging for over three financial years without being concluded.	a. Management must update Council on the labour cases that are active to fast-track, their cost to date and the plan on how to conclude them. b. The Municipality further need fast-track the pending cases and adhere to stipulated time frame of 30 days to reduce overspending on the Legal budget vote.
KPA 2 : BASIC SERVICE DELIVERY		
NO	FINDINGS	RECOMMENDATIONS

2.	% revenue not collected within a financial year. Consumers continue not to pay for the services they receive.	a. Management must review and update the indigent policy; b. Internal controls and systems must be strengthened.
3.	Percentage of Capital, Operational, WSIG, RBIG and RRAMS budget not fully spent as approved by Council within the financial year.	Budget and Treasury department, together with the Technical Services should do forward planning for projects to ensure that the SCM processes are finalised prior commencement of the projects.
KPA 4 : MUNICIPAL FINANCIAL VIABILITY		
NO	FINDINGS	RECOMMENDATIONS
4.	% Debts not collected within the financial year. The SLA.s between the WSP and WSA are not honoured and government departments continue to owe the Municipality for the provision of water and sanitation.	a. The Municipality must engage with the Government Departments for repayment of debts emanating from the provision of water and sanitation; b. The municipality must further have engagements with the Department of Water and Sanitation, Lepelle Northern Waters and Local Municipalities both on a political and administrative levels to come up with amicable solutions to resolve the debts issues.
5.	% Data cleansing not performed within a financial year. Local Municipalities not submitting the report	a. Management must submit to Council the updated information relating the total number of meters installed in

	to the District. This indicator has not been attended to for the past three consecutive years.	the district, the total number of meters that operational and non-operational; b. The Municipality must clarify to Council the role of the Administrators employed in the Local Municipalities and their impact.
6	The Municipality failed to submit unaudited annual financial statements by 31 August each year. The AFS for 2022 was submitted on the 2 nd September 2022 and it is recurring for the second consecutive year.	Management must ensure that Annual Financial Statements are submitted on time
7.	Invoices not paid within 30 days of receipt from service providers	Supply Chain Management to adhere to the procurement plan to ensure timely payment for services rendered.
KPA 6: GOOD GOVERNANCE & PUBLIC PARTICIPATION		
NO	FINDINGS	RECOMMENDATIONS
8.	Poor resolution implementation on the following structures: 1. Portfolio meetings (all) 2. Council resolutions 3. MAYCO resolutions 4. IGR resolutions	Each directorate must have the resolutions as a standing item in departmental meeting, portfolio and management meetings to ensure that the resolutions are fully implemented.

	5. MPAC resolutions	
9.	Complaints not fully resolved (outstanding invoice not paid)	The municipality to trace the complainant through office of the Premier to receive proper documentation and process payment.
10.	% quarterly newsletters not developed	Management must set aside a budget to Communications for the development of quarterly newsletters
BASIC SERVICE DELIVERY PROJECTS		
11.	PMU to compress project implementation programme and development of acceleration plan to expedite progress and expenditure for all projects	That the Technical Services Directorate to present Council the acceleration plan to expedite the implementation of projects

6. RECOMMENDATIONS TO COUNCIL

The following recommendations are brought before Council for further consideration and to provide advices where required:

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9. That all relevant Portfolio Committees to monitor the performance of their respective Directorates and keep track of resolutions taken through a resolutions register;
10. That Council adopts the report as presented; and
11. That the report be submitted to CoGHSTA, SALGA and the Provincial MPAC Forum.



Cllr MM MUKHABELE
MPAC CHAIRPERSON

24/04/2023

DATE