

SOL PLAATJE MUNICIPALITY

Office of the Municipal Manager
KIMBERLEY

4 April 2008

MEMBERS:

Cllr M K Thole (Chairperson)
Cllr H P Legwabe
Cllr M M Leven
Cllr P J Vorster
Cllr K Pretorius

Mr A K A Bhyat
Mr R Matthews

Municipal Manager
Executive Director: Services & Infrastructure
Executive Director: Strategy, Economic Development & Planning Services
Executive Director: Financial Services
Acting Executive Director: Community & Social Development Services
Executive Director: Corporate Services
Advisor: National Treasury (D Ochei)
IDP Manager
Manager: Internal Audit

NOTICE is hereby given that the **OVERSIGHT COMMITTEE** meeting of the City Council will be held in the Committee Room, Civic Offices, Kimberley on **MONDAY, 7 APRIL 2008** at **17:00.**

BUSINESS: As per attached agenda

T F MASHILO
MUNICIPAL MANAGER

SOL PLAATJE MUNICIPALITY

1. APOLOGIES:

2. CONFIRMATION OF MINUTES (Attached copies)

- 2.1 28 November 2007
- 2.2 27 February 2008
- 2.3 3 April 2008

3. MATTERS ARISING: 27-02-08:

- 3.1 Presentation: Terms of Reference (D Ochei)

MATTERS ARISING 03-04-08

- 3.2 Checklist on how process unfold (R Matthews)
- 3.3 Report-back on distribution of Annual Report (L Fouché)
- 3.4 Inputs from stakeholders (L Fouché)

4. NEW MATTERS

- 4.1
- 4.2
- 4.3
- 4.4

SOL PLAATJE MUNICIPALITY

MINUTES OF AN OVERSIGHT COMMITTEE MEETING HELD ON MONDAY, 7 APRIL 2008 AT 17:00

(Established in terms of council resolution C212/07; C354/07 and C446/07)

PRESENT: Members Sol Plaatje Municipality
The Speaker, Cllr M K Thole (Chairperson)
Cllr P J Vorster
Cllr K Pretorius
Cllr H P Legwabe

Community Members
Mr R Matthews

Municipal Manager
Chief Financial Officer
Advisor National Treasury
ED Services & Infrastructure
ED Corporate Services
Acting ED Community & Social Services (Ms Sebolecwe)
Acting ED Strategy, Economic Dev & Planning Services (Mr Sithole)
Manager Internal Audit
Chief: Committee Services

Mr K Bogacwi opened the meeting with a prayer.

A. APOLOGIES:

Mr A K A Bhyat
Cllr M M Leven

ABSENT:

None

B. CONFIRMATION OF MINUTES

RESOLVED:

1. That the minutes of the Oversight Committee meeting held on 28 November 2007 be adopted and approved.
2. That the minutes of the Oversight Committee meeting held on 27 February 2008 be adopted and approved subject to the following change:
That the sentence under number 6. BONUSSES be amended to read: The Speaker emphasised that the finance section take note that councillors and officials will not get extra remuneration for serving on the Oversight Committee.
3. That the minutes of the Oversight Committee meeting held on 3 April 2008 be adopted and approved subject to the following changes:
1st paragraph: National Treasury *criticized the report and council undertook to improve the report and submit it by 10 March 2008. The report was couriered to National Treasury on 11 March 2008 and the office was notified accordingly.*
6th paragraph: He requested Mrs Sebolecwe to request officials' co-operation as *to inputs of the annual report with the participation of internal audit.*

MINUTES – OVERSIGHT COMMITTEE - 07-04-08

C1. MATTERS ARISING: 27-02-08

Presentation: Terms of Reference (D Ochei)

RESOLVED:

That the presentation re the Terms of Reference by the Advisor: National Treasury stands over to the next meeting.

C2 MATTERS ARISING: 03-04-08

Checklist on how process unfold
Report-back on distribution of Annual Report
Inputs from stakeholders

D. NEW MATTERS

1. Appointment of members on Audit Committee

The meeting was informed that council resolved at a special council meeting held on 31 March 2008 per resolution C100/08 that the vacant posts on the audit committee be re-advertised. Mr Bogacwi proposed that the chairperson of the oversight committee request council to review the decision of re-advertising, but to recruit members, due to the necessity of a functional audit committee.

Mr Matthews, as an external member, was requested to attend the ordinary council meeting scheduled for 9 April 2008. He was asked to motivate to council how difficult it is to find members and the fact that no person responded on the advertisement.

Cllr Vorster felt that it is not an issue to be discussed at the oversight committee meeting. It should be addressed at council. Mr Matthews agreed to inform council of the importance of an audit committee.

2. First annual report

The ED Corporate Services informed the meeting that National Treasury was not happy with the information submitted by executive directors. The first notice, requesting executive directors input was send out during July 2008 for submission in August 2008. A team was established to compile the annual report. The executive management team agreed that inputs will be submitted to the directorate corporate services by August 2008. This however did not materialize.

The Advisor: National Treasury stated that it was critical to adhere to the prescribed guideline of National Treasury. This was however not followed. The second version has been improved but is still not a perfect version.

The ED: Corporate Services undertook to voice out the concerns at the executive management team meeting.

MINUTES – OVERSIGHT COMMITTEE - 07-04-08

The CFO informed the meeting that the date set for inputs (August 2008) was not practical due to the new financial system. A practical date would have been 30 September, since the financial statements are only finalized at that stage for inclusion in the auditor-general's report. The Advisor National Treasury felt that other directorates could submit their inputs earlier. He backed the CFO stating that the financial statements cannot be available before end September each year. Their report cannot be perfect at that state since the final assessment is only available at the end of December provided that the auditors finished their audit in time. Only there-after it will be signed.

The ED Financial Services pointed out that legislation cannot be changed and that the problem with finalization of the financial statements hampers the compilation of an annual report. More or less 100 pages of information were required and since most of the staff are on study / vacation leave during October to December it is impossible to finalize the report by the end of December.

The Speaker stated that executive directors should ensure that everything is done correctly in order for staff not to work overtime. She further requested Mr Matthews to inform council that the executive director had to compile the report with the assistance of only one typist.

Mr Matthews stated that he understands the frustrations but needed direction. He agreed to submit a checklist by Friday, 11 April 2008 to guide management regards the oversight committee procedure. He however needs to know how he can assist internal audit regarding the audit committee and undertook to address the issue with the municipal manager.

It was mutually understood that the new annual report was not yet tabled before council. The ED Corporate Services agreed to request public's input and simultaneous get written inputs from national treasury and the auditor-general. She will be responsible to co-ordinate the process. It was also agreed that public hearings could be held (to discuss with the municipal manager and the executive director corporate services) and that the oversight committee will check the annual report as per the checklist.

Mr Ochei requested that the checklist must specify what is likely, throughout the public consultation etc. He enquired what the next deadline would be if the deadline of 14 May cannot be reached.

The Speaker requested Mr Matthews to inform the meeting on who will be responsible to submit the report to the stakeholders, since the external members have no control. It was stated that corporate services will be responsible.

Mr Matthews again stressed that the oversight committee sat on 27 March 2008 where the annual report was formally noted. The oversight committee members received the report on 4 March 2008 and felt that they cannot do justice if they have to table their report on 9 April 2008 at the ordinary council meeting. He questioned the meeting on what he can report. It was then agreed that the oversight report be tabled on 6 July 2008 in order to ensure that the report is properly drafted without qualifications on the report. He further assured the meeting that they will word according to the checklist and reminded the meeting that nobody has responded thus far.

The meeting noted that an advertisement has been placed in the local newspapers. National treasury, local government, the auditor-general and councillors have received the 2nd version. The ED Corporate Services was neither aware that copies had to be sent to provincial treasury nor public hearings to be held. The document for provincial treasury will be sent on 8 April 2008.

MINUTES – OVERSIGHT COMMITTEE - 07-04-08

She will check at the executive management team meeting, scheduled for Friday, 4 April 2008 for the input of executive directors.

The meeting noted that the annual report will be sent out to councillors on 8 April 2008, as a supplementary report, for the meetings to be held on 9 April 2008. Cllr Pretorius wanted the meeting to note that the report was thus far not tabled before the mayoral committee. The ED Services and Infrastructure informed the meeting that the annual report which will be tabled at the council meeting is only an improved version, thus the meeting can note the tabling. The Speaker pointed out that the first page of the 2nd version does not state that it is a revised document and requested that the cover page be replaced.

Mr Ochei expressed his dissatisfaction with the report and concern for not being tabled. He indicated that it had not been formally tabled as prescribed by law to table a good report.

Mr Matthews felt that it was material amendments. Council should consider the revised report and it would then be seen as tabled.

Mr Ochei mentioned that solicit public consultation should have taken place and the lack of input was no excuse to table it on 31 January 2008. The report could have been tabled subject to completion / pending outstanding items. The public needs 90 days to work on the report. If the annual report is tabled on 9 April 2008 it will become the official one for community inputs.

The CFO proposed that sms's be sent to councillors requesting them to bring the annual report along to the council meeting (with markers on replacements) since it will be treated as a supplementary report. That, since it is not possible to work through the report page-by-page changes be brought about in a different format. That council be requested to condone the actions.

That the Municipal Manager, ED Corporate Services, Speaker and Mr Matthews meet on Friday, 11 April 2008 at 10:00 re the checklist and process forward to finalize the annual report.

Mr Ochei pointed out that the deadline of 31 March 2008 will be missed and requested that Mr Matthews account / explain to council the reasons and implications, with recommendations on how to handle it.

The Speaker requested Mr Matthews to be at the meeting at 11:00 on 9 April 2008. She promised him that she will pause the meeting to address council in order to curb payment for waiting.

After discussions the meeting resolved to confirm the minutes of 27 February 2008.

The meeting closed at 19:25.

SPEAKER

DATE

