



# **BERGRIVIER MUNICIPALITY**

## **2015/16 OVERSIGHT REPORT**



**CHAIRPERSON OF THE OVERSIGHT COMMITTEE**  
**N STEVENS**  
**28 MARCH 2017**

# INTRODUCTION

- This Oversight Report on the 2015/16 Annual Report of the Bergrivier Municipality has been compiled in terms of Section 129 of the Local Government Municipal Finance Management Act, Act 56 of 2003 (MFMA) and is presented here today.
- The Municipal Council must adopt an Oversight Report no later than 2 months after the tabling of the annual report which must include a statement whether the Council;
  - has approved the annual report without reservations; or
  - has rejected the annual report; or
  - has referred the annual report back for revision of those components that can be revised.

# APPOINTMENT

The Oversight Committee was appointed for the remainder of the term of office of the current council per Council Resolution RVN028/08/2016 on 23 August 2016.

Members:

- 1) Mr N. Stevens (Chairperson of the Oversight Committee)
- 2) Mr G. Lawrence
- 3) Alderman J A Raats
- 4) Alderman J Swart (ANC)
- 5) Cllr K Daniels (DA)
- 6) Cllr A Du Plooy (DA)
- 7) Cllr S. Claassen (ANC)

# MANDATE AND TERMS OF REFERENCE

The Mandate of the Oversight Committee is to:

1. Undertake a detailed analysis and review of the Municipality's Annual Reports;
2. Consider inputs from the Council, Portfolio Committees, Ward Committees and the public on the Municipality's Annual Reports;
3. Consider inputs from the Municipality's Audit Committee and Performance Committees as well as the Auditor General on the Municipality's Annual Reports;
4. Draft an Oversight Report on the Municipality's Annual Report;
5. Co-opt advisory members should this be necessary.

# METHODOLOGY

- The Draft Annual Report was tabled before Council on 24 January 2017;
- The Draft Annual Report was submitted to the relevant authorities and made public for comments on 1 February 2017.
- The closing date for submissions was 6 March 2017;
- No submissions were received;
- The Oversight Committee conducted the Oversight Process over 4 sittings between 1 February 2017 and 6 March 2017 and the process concludes with this presentation to the Municipal Council on 28 March 2017.

# STRUCTURE OF THE 2015/16 ANNUAL REPORT

## VOLUME I

- Forewords
- Chapter 1: Municipal Overview and Executive Summary
- Chapter 2: Governance
- Chapter 3: Service Delivery Performance
- Chapter 4: Organisational Development Performance
- Chapter 5: Financial Performance

## VOLUME II

- Report of the Auditor General
- Annual Financial Statements

# **OBSERVATIONS AND RECOMMENDATIONS**

## **2015/16 ANNUAL REPORT**

# CHAPTERS 1 TO 5

## OVERALL QUALITY OF ANNUAL REPORT

### OBSERVATION

There is a sharp decrease in the overall quality of the Annual Report

- Spelling mistakes, grammar, blurred graphs, page numbers, missing pictures, missing sources, incorrect figures

### RECOMMENDATION

The Committee suggests that each Directorate takes complete ownership of the quality of their submissions, coupled with effective time management



# **VOLUME 1: CHAPTER 3: SERVICE DELIVERY PERFORMANCE**

## **BUILDING CONTROL**

### **OBSERVATION (SECTION 3.4.2.5)**

The committee expresses a concern that there are still illegal building activities in Bergrivier

### **RECOMMENDATION**

The committee recommends that Building inspectors be appointed to ensure that this practice (illegal building activities) is stopped

At the moment these duties are performed by Building Control Officers over and above their own duties

# **VOLUME 1: CHAPTER 3: SERVICE DELIVERY PERFORMANCE**

## **PARKS AND OPEN SPACES**

### **OBSERVATION (3.8.1.1)**

The committee is worried about the optimal use of parks and open spaces and the money spent to maintain it

### **RECOMMENDATION**

That the municipality establishes whether these parks/open spaces are still required, given the needs of the children nowadays

## **VOLUME 1: CHAPTER 4: GOVERNANCE**

### **VOLUME 1 (CHAPTER 3) RECREATION RESORTS**

#### **OBSERVATION (3.8.4)**

The committee is concerned about Pelican Park which has not been utilized properly over the last few years

#### **RECOMMENDATION**

That the Municipality devise a plan on the way forward. The public should be kept informed of developments

# VOLUME 1: CHAPTER 4

## ORGANISATIONAL DEVELOPMENT PERFORMANCE

### MANAGEMENT

#### OBSERVATION (Table 141)

The committee is concerned about the ongoing increase in the number of vacancies over the last 3 years

**TABLE 142: AVERAGE WORKFORCE AND VACANCY RATE**

YEAR	TOTAL STAFF (FUNDED POSTS)	VACANCIES	% VACANCIES
2013/14	407	40	9.9%
2014/15	380	47	10.32%
2015/16	383	52	13.57%

In some cases it can be expected that fewer staff members generate the same output. This may have far-reaching consequences, such as:

- Fatigue of staff
- Quality of work may suffer
- Money spent on skills development becomes lost to the municipality

# **VOLUME 1: CHAPTER 4**

## **ORGANISATIONAL DEVELOPMENT PERFORMANCE**

### **RECOMMENDATIONS**

A retention strategy should be devised to keep staff that is about to leave the organisation

Exit interviews should be conducted to get a good understanding of why the incumbent resigns

## **VOLUME 1: CHAPTER 5:**

### **FINANCIAL PERFORMANCE**

#### **OBSERVATION (Table 163)**

Most long term loans are entered into with DBSA, despite interest rates being charged at a much higher rate than other banks listed.

#### **RECOMMENDATION**

That the Municipality obtain a full understanding of what these big disparities between the banks are and negotiate in a more robust way, if possible

# **OUTSTANDING ISSUES**

## **2014/15 OVERSIGHT REPORT**

1. No substantial outstanding matters in the 2014/15 Oversight Report

# CONCLUSION

- I would like to commend the Municipality on a vastly improved performance from the previous year, especially the achievement of an unqualified audit.
- I would like to thank the members of the Oversight Committee and all officials who participated in the 2015/16 Oversight Process for their time and cooperation.
- The process was successful and enabled the Committee to identify areas that will enable the Municipality to take its good performance to the next realm.
- I am of the opinion that the 2015/16 Annual Report accurately reflects the performance of the Municipality for the year under review and recommend that the Council approve the 2015/16 Annual Report without reservations.