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REPORT OF THE POLOKWANE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE ON THE 2010-2011 ANNUAL REPORT, AUDIT REPORT AND THABATSHWEU ENTITY: POLOKWANE MUNICIPALITY

1. PURPOSE OF THE REPORT

The primary objective of this report is to report back to Polokwane Municipal Council on the findings by Polokwane Municipal Council after scrutinizing and interrogating the 2010 – 2011 Annual Report.

2. LEGISLATIVE BACKGROUND

Members of Polokwane Municipal Public Accounts Committee are guided by the following pieces of legislation to consider and scrutinize the 2010-2011 Annual Report:

- Sections 129 & 131 of Municipal Finance Management Act No. 56 of 2003
- Circular No. 32 of 15 March 2006

3. DISCUSSION

In an endeavor to consider and scrutinize the 2010-2011 Annual Report, Members of Municipal Public Accounts Committee held a number of meetings with the Office of Polokwane Municipal Manager. The Committee also compiled Questions based on the report of the Auditor-General for the financial year ending 30 June 2011 and sent them to the Office of the Municipal Manager and the Chief Executive Officer of Thabatshweu Entity for written responses.

The said Questions and responses are hereby attached as Annexure A & B respectively. Furthermore, the Committee held a Public Hearing where the Municipal Manager, the Executive Mayor and Members of Mayoral Committee appeared before the Committee on 28 March 2012 for oral evidence on the report of the Auditor-General for the year under review.

The Executive Mayor, Mayoral Committee, the Speaker, Councilors, Cdw's, Ward Committees, media were invited. According to the AG's report Cllr Haas was found to have done business with the municipality as Councilor of which is illegal. MPAC's findings are that Cllr Haas did business with the Municipality in 1992 when he was not

yet a councilor. He became a councilor in 2000 and he declared his interest. When he was re-elected as councilors in 2006 and 2011 he also declared. MPAC cleared him of breach conduct and he is a member of MPAC without any wrongdoing.

4. CONCLUSION

After considering the 2010-2011 Annual Report, Audit Report and the Thabatshweu Report of the Polokwane Municipality, Municipal Public Accounts Committee holds the view that the reports are reasonable and fair as they reflect a true state of the performance of the Municipality and the Entity and reflects fairly the proper financial state for the year under review.

Members of Polokwane Municipal Accounts Committee initially had concerns about the state-of-affairs of Thabatshweu Entity. There was no leadership at all at the Entity. After interacting with the Municipal Manager and the Executive Mayor on the Entity, Members of the Committee are happy because the Municipal Manager has produced a plan to turn things around at the Entity. To-date, a Board and the Chief Executive Office have been appointed to run the Entity effectively, efficiently and economically.

5. RECOMMENDATIONS

Members of Polokwane Municipal Accounts Committee recommend that:

- 5.1 the Council approves the 2010-2011 Annual Report without any reservations of the Polokwane Municipality
- 5.2 the Council supports and monitors a plan to turn things around at the Thabatshweu Entity
- 5.3 the 2011-2012 Annual Report be submitted within a reasonable time after consideration by Council to give MPAC enough time scrutinize it.

On behalf of Members of the Committee I further recommend that this report be adopted as a report of this Council. I recommend accordingly Honorable Speaker.

CLR H MORWANA: MPAC CHAIRPERSON

DATE