HANTAM MUNICIPALITY

BEREID OM TE DIEN

OVERSIGHT REPORT ON THE ANNUAL REPORT

2024/2025

This Oversight Report is based on the Annual Report 2024/2025 and is drafted and submitted in accordance with the Local Government: Municipal Finance Management Act (Act 56 of 2003).

TABLE OF CONTENTS

Contents

1. INTRODUCTION AND BACKGROUND

The Council of Hantam Municipality is vested with the responsibility to oversee the performance of the municipality, as required by the Constitution, the Municipal Finance Management Act (MFMA) and the Municipal Systems Act (MSA). Draft Annual Report 2024/2025 was tabled in council with the Annual Financial Statements and was tabled 29 January 2026 and the municipality did not comply with prescribed Section 127 (2) of the Local Government: Municipal Finance Management Act 56 of 2003.

The Oversight Report is the final major step in the annual reporting process of a municipality. The Draft 2024/2025 Annual Report of Hantam Municipality was considered by the Council and referred to the Municipal Public Accounts Committee for review and for the drafting of the Oversight Report. The Municipal Public Accounts Committee (MPAC) of Hantam Municipality fulfils the oversight role of council. The meeting of the Municipal Public Accounts Committee (MPAC) on the Annual Report of 2024/2024 was held on 12 March 2026.

2. LEGAL REQUIREMENTS

In terms of Section 129 of the MFMA, the council must adopt an Oversight Report containing the council's comments on the Annual Report which must include a statement whether the Council: -

(a) Has approved the annual report with or without reservations;
(b) Has rejected the annual report; or
(c) Has referred the annual report back for revision of those components that can be revised.

In terms of the MFMA Circular Number 32, in order to approve the Annual Report without reservations, council should be able to agree that the information contained in the report is a fair and reasonable record of the performance of the municipality in the financial year reported upon.

3. ADOPTION

The statutory authority to adopt an Oversight Report in respect of the Annual Report 2024/2025 rest with the municipal council.

4. MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

In terms of council resolution, a Municipal Public Accounts Committee (MPAC) was established in terms of Section 79 of the Structures Act, 1998. The Terms of Reference tasks the MPAC with the responsibility to perform an oversight role over the process of preparing the Annual Report of council and to produce an Oversight Report based on the Annual Report.

MPAC currently consists of the following members: -

- Cllr G Vyver - Chairperson
- Cllr G de Vries
- Cllr H Wilschut

5. COMPONENTS OF THE ANNUAL REPORT

The format of the Annual Report 2024/2025 is based on the annual report template issued by National Treasury in MFMA circular 63 of 2012. MFMA Circular 63 of 2012 comprises six (6) chapters and attempts to cover all the aspects that needs to be reported on as derived from the MFMA and the Local Government: Municipal Systems Act (Act 32 of 2000).

6. PUBLIC CONSULTATION PROCESS

The draft Annual Report 2024/2025 was made public in the local newspaper. Members of the community and other stakeholders were invited to submit written comments/inputs. In addition, the draft Annual Report 2024/2025 was also made available at all municipal libraries, service points and municipal website. The Annual Report 2024/2025 was furthermore submitted in terms of Section 127(5)(b) to the Auditor General, Provincial Treasury and COGHSTA Provincial Office.

7. MINUTES OF THE MPAC MEETING 12 MARCH 2026 (Extract of the minutes)

NOTULE VAN 'N "MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)" GEHOU OP DONDERDAG 12 MAART 2025 IN DIE KOMITEEKAMER KANTOOR CALVINIA OM 12H00

TEENWOORDIG

KOMITEE LEDE

Rdl. G Vyver	(Voorsitter MPAC Komitee)
Rdl. J.H. Wilschut	(MPAC Lid)
Rdl. G de Vries	(MPAC Lid)

AMPTENARE

Mnr JJ Fortuin	(Munisipale Bestuurder)
Mnr G Mathys	(Bestuurder: IDP/PMS/LED)

ITEM NR	AGENDA / ITEM	BESPREKING EN AANBEVELING
MPAC01/03-26	**OPENING EN VERWELKOMING** Rdl, G De Vries open die vergadering met 'n gebed waarna die Voorsitter alle lede en amptenary verwelkom en vra vir positiewe insette.	0
MPAC02/03-26	**PRESENSIELYS EN VERSKONINGS** Presensielys is aangeheg.	0
MPAC03/03-26	**Konstituering van vergadering**	0
MPAC04/03-26	**Aanvaarding van sakelys** **Rdl JH Wilschut – Voorstel** **Rdl G de Vries - Sekondeer**	0
MPAC04/03-26	**KONSEP JAARVERSLAG 2024/2025** ***(SOOS VOORGELê OP RAADSVERGADERING VAN - 29 Januarie 2026 ITEM NR. SR06.1/01-26)*** Die voorlopige jaarverslag is geadverteer en geleentheid vir insette deur die publiek het op 04 Maart 2026 gesluit en insette vanaf die ouditkomitee is ontvang en nodige aanpassings is gemaak waar nodig.	**Raadsvergadering Maart 2026**

	Die oorsig verslag sal aan die Raad op Maart 2026 raadsvergadering voorgelê word vir goedkeuring.	

8. ANNUAL REPORT CHECKLIST

The oversight report is the final major step in the annual reporting process of a municipality. Section 129 of the MFMA requires the council to consider the annual report of the municipality and adopt an oversight report. The oversight report must include a statement whether the council:

- Has approved the annual report, with or without reservations
- Has rejected the annual report
- Has referred the annual report back for revision of those components that can be revised

No	Question	Yes	No	Comments
1.	Was the annual report submitted to the Auditor-General, together with the annual financial statements by, the 31st August?	Yes		The annual performance report was submitted with the annual financial statements to the Auditor General on 31st August 2025. Proof received from AG kept on file
CHAPTER 1				
2.	Does Chapter 1 of the annual report include: – The Mayor's foreword, – The municipal manager's foreword, – Municipal overview?	Yes Yes Yes		Refer to chapter 1 page 3 Refer to chapter 1 page 3 Refer to chapter 1 page 4 onwards
CHAPTER 2				
3.	Does Chapter 2 of the annual report include the Governance Structures, both Political and Administrative?	Yes		Refer to chapter 2 page 34 onwards

4.	Does Chapter 2 of the annual report include details of Intergovernmental relations?	Yes		Refer to chapter 2 page 40 onwards
5.	Does Chapter 2 on Governance in the annual report include details on all public accountability and public participation meetings and the IDP participation & alignment?	Yes		Refer to chapter 2 page 46 onwards
6.	Does Chapter 2 on Governance in the annual report address risk management issues?	Yes		Refer to chapter 2 page 54
7.	Does Chapter 2 of the annual report address anti-corruption and fraud?	Yes		Refer to chapter 2 page 56
8.	Does Chapter 2 on Governance in the annual report address supply chain management issues?	Yes		Refer to chapter 2 page 59 onwards
9,	Does Chapter 2 on Governance in the annual report address By-laws?	Yes		Refer to chapter 2 page 48
10.	Does Chapter 2 on Governance in the annual report address the website(s) where information is available?	Yes		Refer to chapter 2 page 49 onwards
11.	Does Chapter 2 on Governance in the annual report share information on public satisfaction on municipal services?	Yes		Refer to Chapter 2 page 50

12.	Does Chapter 2 in the annual report address the municipal oversight committees?	Yes		Refer to Chapter 2 page 27
CHAPTER 3				
13.	Does Chapter 3 in the annual report demonstrate what service delivery has been achieved and what is outstanding?	Yes		Being address in chapter 3 as a whole
14.	In Chapter 3 of the annual report, are the service delivery issues structured, captured and reflected under each priority as contained in the IDP to allow for easy comparisons on achievements against budget and SDBIP?	Yes		Being addressed in chapter 3 as a whole
CHAPTER 4				
15.	Does Chapter 4 of the annual report provide information pertaining to the implementation of an effective performance management system, organizational development and performance of the municipality?	Yes		This is being addressed in chapter 3 and chapter 4
16.	Does Chapter 4 of the annual report provide information on planning, service delivery, organization, job evaluation, remuneration, benefits, personnel expenditure, affirmative	Yes,		This chapter includes Employment Equity, Occupational levels; Employee totals, turnover and vacancies; municipal workforce; policies; injuries, sickness and suspensions, sick leave, disciplinary cases, performance rewards; skills development and training, Financial

	action, recruitment, promotions, termination of services, performance management, skills development, injury on duty, labor relations, leave and discharge due to ill-health?			Competency development; Employee expenditure; *job evaluation; Expenditure – training.
17.	Does Chapter 4 of the annual report provide information to identify skills gaps and plans for the development of such skills?	Yes		This is being addressed in chapter 4 page 125
CHAPTER 5				
18.	Has Chapter 5 of the annual report on financial performance include information divided into the following framework: a) Statement of financial performance b) Spending against Capital budget c) Cash flow management and investment d) Other financial matters?	Yes		This is being addressed in chapter 5. Page 126 to 159
CHAPTER 6				
19.	Does Chapter 6 of the annual report include the Auditor-General's Report as submitted by the Auditor-General?	Yes		This is being addressed in chapter 6 page 160 -164 onwards
20.	Does Chapter 6 of the annual report include details on issues raised during the previous	Yes		This is being addressed in chapter 6

	financial year by the Auditor-General?			
21.	Does Chapter 6 of the annual report include remedial action taken to address issues raised during the previous financial year by the Auditor-General and preventative measures?	Yes		This is being addressed in chapter 6
APPENDICES				
22.	Is an **Appendix A** on Councilors; Committee allocation and council attendance included?	Yes		Being incorporated in Chapter 2 page 27 onwards
23.	Is an **Appendix B** on Committee and Committee purpose included, listing all committees of the council, the purpose of each committee and the names of councilors serving on them and the attendance of each councilor?	Yes		Being included in Chapter 2, refer to page 28 - 29
24.	Is an **Appendix C** include an organogram of the administrative structure?	Yes		Being included in chapter 2, refer to page 29
25.	Is an **Appendix D** included on what constitutes a municipal function and the applicable functions of the municipality?	Yes		This is being included in Chapter 1, refer to page 6 onwards
26.	Is an **Appendix E** on Ward reporting included with information on the functions of ward	Yes		This is being included in Chapter 2, refer to page 36 - 39 onwards

	committees, the sector of community representation, reports submitted by each of these committees' challenges experienced and measures taken to address them?			
27.	Is an **Appendix F** on Ward information included outlining the name/number of the ward, listing the seven largest projects in each ward with start & end dates, their total value, progress and information on the top four delivery priorities per ward?	Yes		This is being included in Chapter 3, refer to page 80
28.	Is an **Appendix G** included on recommendations of the audit committee, those adopted, those that were not adopted and the meetings held?	Yes		Being included in chapter 2, refer to page 8
29.	Is an **Appendix H** included on information related to the largest projects, agreements and contracts and any Public, Private Partnerships?		No	Not applicable
30.	Is an **Appendix I** include service provider performance schedule from the top four priority indicators in the IDP?	Yes		Included in chapter 3, refer to page 53- 58

31.	Is an **Appendix J** included with senior managers' disclosures of financial interest?	Yes		Not included in annual report due to sensitivity of information, available on municipal personnel files
32.	Is an **Appendix K** included on Revenue collection by votes and by source based on prior year and current year actual collections?	Yes		Included in Chapter 5, refer to page 131
33.	Is an **Appendix L** included on Conditional Grants received (excluding MIG) received during the year indicating adjustments budget and the actual, showing percentage variances and any major conditions applied by donors on each grant?	Yes		Included in Chapter 5, refer to page 140 -141
34.	Is an **Appendix M** included on capital expenditure: a) On new assets programme, b) On upgrade/renewal programmes Showing the actual of the prior year, the adjusted budget and actual expenditure in the current year?	Yes		Refer to Chapter 5, refer to page 143
35.	Is an **Appendix N** on all capital projects in the current financial year, indicating the adjusted budget, actual in the current year and the variance?	Yes		Refer to Chapter 5, refer to page 149 - 150

36.	Is an **Appendix O** included on all capital projects per ward in the current financial year and if the work was completed or not?	Yes		Refer to Chapter 5, refer to page 147
37.	Is an **Appendix P** included on service connection backlogs at schools and clinics with their names and location?		No	Not applicable to municipality
38.	Is an **Appendix Q** included with all service backlogs experienced by the community where another sphere of government is responsible for providing the service?		No	Not applicable to municipality
39.	Is an **Appendix R** included listing all organisations or person in receipt of loans and grants; from the municipality stating the nature of the projects funded, conditions attached and the rand value?		No	N/A
40.	Is an **Appendix S** included listing all monthly MFMA S71 budget statements not submitted in time?		No	N/A All quartely S71 reports submitted in time
41.	Is an **Appendix T** included for powers and functions not covered in		No	Not applicable to functions of the municipality.

	other sections of the annual report?			
VOLUME 2				
42.	Have all components of the audited financial statements, as signed by the auditor-General, been included in the annual report in Volume 2?	Yes		Refer to addendum.

9. CONCLUSION

As Chairperson of the MPAC; I would like to thank the MPAC Committee Members, The Mayor and Municipal Manager for their diligence and constructive commitment during the period.

The MPAC is satisfied with the Annual Report 2024/2025 and recommends that the Annual Report 2024/2025 be adopted.

10 RECOMMENDED RESOLUTION FOR ADOPTION

1) That Council fully considered the Oversight Report 2024/2025 on the Annual Report 2024/2025 for adoption.
2) That Council fully considered the Annual Report 2024/2025 for adoption.
3) That the Oversight Report 2024/2025 be made public in accordance with Section 129(3) of the MFMA.
4) That the Oversight Report on the Annual Report be submitted to the Provincial Legislature in accordance with Section 132(2) of the MFMA.

NAME	DESIGNATION	SIGNATURE	DATE
Mr JJ Fortuin	MUNICIPAL MANAGER		12/03/2026

NAME	DESIGNATION	SIGNATURE	DATE
CLLR G Vyver	MPAC CHAIRPERSON		12/03/2026

Contact Information

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