



# **Oversight Report**

## **2024/2025 Annual Report**

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## INTRODUCTION

The Annual Report (AR) is one of the key instruments of transparent governance and accountability. It is a post-financial year document which provides an overview of the process of financial and non-financial performance in respect of the previous financial year, in this instance the 2024/2025 financial year. The adoption of an AR is a legislative requirement in terms of the Municipal Finance Management Act (MFMA).

## PURPOSE

The purpose of this report is to present to Council for adoption, the 2024/2025 AR as well as the Oversight Report (OR) on the 2024/2025 AR as required in terms of Section 129 of the MFMA.

## LEGAL FRAMEWORK

Section 121 of the MFMA determines that Witzenberg Municipality must deal with the preparation and adoption of the 2024/2025 AR as follows:

“(1) Every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality’s sole or shared control in accordance with section 129.

(2) The purpose of an annual report is:

(a) To provide a record of the activities of the municipality or municipal entity during the financial year to which the report relates;

(b) To provide a report on performance against the budget of the municipality or municipal entity for that financial year; and

(c) To promote accountability to the local community for the decisions made throughout the year by the municipality or municipal entity.

Section 127(2) of the MFMA also determines with regard to the submission and tabling of ARs that the Executive Mayor must, within seven months after the end of a financial year, table in the Municipal Council the AR of Witzenberg Municipality. This was done on 11 December 2025.

Section 129 of the MFMA determines with regard to the OR on the 2024/2025 AR that:

“(1) The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality’s sole or shared control, and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, 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.”

## COMPONENTS OF THE ANNUAL REPORT

The format of the 2024/2025 AR is based on the AR template issued by National Treasury in terms of MFMA Circular 63 of 2012. The Circular requires that an AR consists of 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.

## MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

Council established a Municipal Public Accounts Committee (MPAC) in terms of Section 79 of the Local Government: Municipal Structures Act, 1998. The Terms of Reference tasks the MPAC with the responsibility to perform an oversight role over the process of preparing the AR of Council and to produce an OR based on the AR. As required by the MFMA the Municipal Manager attended the Council Meeting where the 2024/2025 AR was tabled by the Executive Mayor on 11 December 2025, thereafter it was released for public comment. The MPAC convened one meeting on 19 January 2026 to deliberate on the content of the 2024/2025 AR together with the comments received on the 2024/2025 AR. The Municipal Manager attended the MPAC meeting as required to answer questions posed by MPAC members on the 2024/2025 AR and written comments received.

The attendance of MPAC members for the purpose of compiling the OR is recorded as follows:

**Table 1: MPAC Members and Attendance**

NAME	CAPACITY	ATTENDANCE
Cllr J Rooi	MPAC Chairperson	X
Cllr W Alexander	Member	X
Cllr P Daniels	Member	X
Cllr N Nogcinisa	Member	X
Cllr K Robyn	Member	X

## ADOPTION AND PUBLIC CONSULTATION PROCESS

The Executive Mayor tabled the Draft 2024/2025 AR in Council on 11 December 2025 in compliance with the MFMA. The Draft 2024/2025 AR was made public on the municipal website within (5) days as well as within seven (7) days in the local newspapers after it was tabled at Council. The Notice for the 2024/2025 Annual Report for Comments were published in the Witzenberg Herald on 19 December 2025.

Members of the community and any other stakeholder were invited to submit written comments on the 2024/2025 AR. In addition, the 2024/2025 AR was also made available at all municipal libraries and all municipal offices.

The 2024/2025 AR was also submitted, in terms of Section 127(5)(b) of the MFMA to the Auditor-General of South Africa (AGSA), National Treasury, Western Cape Provincial Treasury and the Western Cape Department of Local Government. The AGSA was also invited to attend the MPAC meeting held on 19 January 2026.

The closing date for public comments were on 12 January 2026. No submissions from the public were received.

No written comments were received from the Western Cape Department of Local Government or the Western Cape Provincial Treasury.

## CORRECTIVE MEASURES FOR COUNCIL CONSIDERATION

It is recommended that Council:

- Take note of the debt impairment issues emphasised by the AGSA.
- Council should consider amending the Indigent Policy, with the focus of the Eskom areas.
- Take note of the under achievements of targets by the municipality, detailed reasons for under-achievement of the targets are included under Chapter 3.
- Take note of the reliance on government grants by the municipality.

## MATTERS DISCUSSED BY THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE

The MPAC met on 19 January 2026 to discuss and consider the adoption of the 2024/2025 AR. The MPAC members, prior to these meetings, perused through the content of the 2024/2025 AR as well as the written comments received and the corrections made to the AR.

In terms of Section 129(1) of the MFMA, Council must indicate whether the 2024/2025 AR is being adopted with or without reservations. As a result, the MPAC is satisfied with the content of the Final 2024/2025 AR and as such recommends to Council that the 2024/2025 AR be adopted without any reservations.

## CONCLUSION

As Chairperson of the MPAC, I would like to thank the MPAC members, the Municipal Manager and Senior Management, as well as the various contributors to the Final 2024/2025 AR product for their diligence and constructive commitment during the oversight period.

The MPAC is satisfied that the 2024/2025 AR provides an accurate overview of the process of financial and non-financial performance during the period under review and therefore would like to recommend the adoption thereof.

## RECOMMENDATIONS

It is recommended to Council that:

- Council adopts the Oversight Report on the 2024/2025 Annual Report.
- Council approves the 2024/2025 Annual Report without any reservations.
- The Oversight Report on the 2024/2025 Annual Report be made public in accordance with Section 129(3) of the MFMA.

Yours faithfully,



COUNCILLOR J ROOI

CHAIRPERSON: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



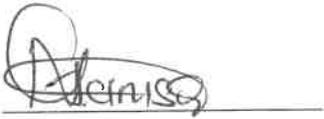
COUNCILLOR P DANIELS

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



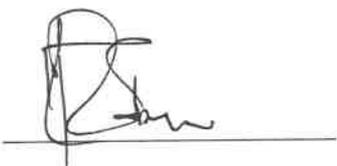
COUNCILLOR W ALEXANDER

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



COUNCILLOR N NOGCINISA

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE



COUNCILLOR KA ROBYN

MEMBER: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE