

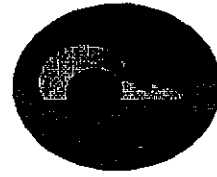


**GREATER TZANEEN MUNICIPALITY  
GROTER TZANEEN MUNISIPALITEIT  
MASIPALA WA TZANEEN  
MASEPALA WA TZANEEN**

Tel: 015 307 8000  
Fax: 015 307 8049

P.o Box 24  
Tzaneen, 0850

[www.tzaneen.gov.za](http://www.tzaneen.gov.za)



Tropical Paradise

**A12 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MPAC OVERSIGHT REPORT  
ON THE 1<sup>ST</sup>, 2<sup>ND</sup> & MID-YEAR PERFORMANCE REPORTS FOR 2021/2022.**

**(2022 07 29)**

**(12/2/3/1/1)**

**RESOLVED**

1. That Council approves the oversight reports on the 2021/2022, 1<sup>st</sup>, 2<sup>nd</sup> and Mid-Year performance with the following recommendations:
  - a) That the monitoring of the implementation of projects by committees of Council and the Project Management Unit must be conducted regularly during the implementation to ensure that correct materials are used.
  - b) That the municipality pay the service providers for the services done, to avoid the financial progress being greater than the physical progress as it poses a risk for the municipality.
  - c) That the Accounting Officer, must investigate why the pipe that is in the middle of the road, at the Paving of Risaba, Mnisi, Shando to Driving School was not detected during the feasibility study, and report back to Council on the possible financial implication the municipality might incur with the removal of the pipe because of it being detected during the feasibility study.

M.S

- d) That monitoring of Project number SCMU 29/2020, be intensified to ensure value for money for the municipality by the user department.
- e) That the Accounting Officer must ensure that the planned targets in the quarterly reports are met.
- f) That the PMU ensures that the sand being utilized at Project number SCMU 29/2020, is the correct one, and areas where soil was used on the 26<sup>th</sup> of July 2022, are redone with the correct sand, to ensure the construction of a quality road.
- (g) That Supply Chain Management processes be thoroughly followed to avoid appointing incompetent service providers.
- (h) That background checks on the appointed service providers and consultants be extensively done for quality service delivery output desirable to Council.

**Signed by the Speaker**   
**Councillor MS Tiba**.....

**A12 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE MPAC OVERSIGHT REPORT ON  
THE 1<sup>ST</sup>, 2<sup>ND</sup> & MID-YEAR PERFORMANCE REPORTS FOR 2021/2022.**

**(2022 07 29)**

**(12/2/3/1/1)**

---

**REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE.**

**PURPOSE OF THE REPORT**

- To report back to Council on the oversight conducted on the 2021/22 1<sup>st</sup>, 2<sup>nd</sup> and Mid-Year Reports.
- To provide a record on the project site visit conducted on the projects appearing in the reports.
- To recommend to Council for approval on the possible mitigations that can be taken to ensure that the planned targets are met or achieved.

**BACKGROUND**

The 1st, 2nd and Mid-Year Service Delivery Budget Implementation Plan Reports were tabled in Council during the meetings of the 28 January 2022 and 26<sup>th</sup> February 2022 respectively. The committee perused the reports during its committee meetings held on the 19 April 2022, 13 May 2022, and 13 June 2022. The committee formulated the questions on the reports and submitted to the Accounting Officer, which were responded to, on the 07<sup>th</sup> June 2022.

The committee further conducted projects site visit on the projects that appeared in the reports to satisfy itself of the progress made on the ground as against the reported progress in the reports.

**CHALLENGES**

1. Planned targets not met.
2. National Treasury Moratorium
3. Late supply of materials
4. cash flow challenges of the Paving of Risaba, Mnisi, Shando to Driving School, project.

5. Slow implementation of the Audit Action Plan as indicated on page 2 of the 2<sup>nd</sup> quarter report page 13 of 83.
6. Public participation meetings (imbizos) held target not met.
7. OHS reports generated for the quarter; target not met, to quote the few.

### **PROJECT SITE VISIT BY THE COMMITTEE.**

The committee conducted a project site visit on the 26<sup>th</sup> July 2022. The following projects were visited by the committee:

1. Upgrading of Risaba, Mnisi, Shando to Driving School internal street from gravel to paving
2. Upgrading of Mainroad from Ndhuna Mandlakazi, Efrika, Zangoma, Mpenyisi to Jamba Cross Internal Street (Ward 13, Mandlakazi)
3. Nwamitwa Bridge via Nhlengeleti School to Taxi Rank, Clinic via Lwandlamoni School to Nwamitwa/Mandlagadzi Road from Gravel to paving
4. Upgrading of Nkowankowa A CODESA and Hani Streets from gravel to paving.
5. Upgrading of Mulati Access Road from gravel to Paving.
6. Upgrading of Moseanoka to Cell C Pharare Internal streets from gravel to paving

Project name	Source of funds	Project start date	Project completion date	Project visited date	Challenges observed by the committee during the visit.	Status of the project
1. Upgrading of Risaba, Mnisi, Shando to Driving School internal street from gravel to paving.	MIG	19 February 2021	30 November 2022.	26 July 2022	<ul style="list-style-type: none"> <li>The project is delayed by a big pipe which is in the middle of the road which must be relocated.</li> <li>The Manager PMU indicated that the pipe was not detected during the feasibility study.</li> <li>The removal of the pipe will have financial implications as it was not included in the initial contract due to non detection during the feasibility study.</li> <li>The project is behind schedule and the contractor cited financial</li> </ul>	On progress at 58,34%

					<p>problems, which the PMU Manager indicated that it is not on the site of the Municipality.</p> <ul style="list-style-type: none"> <li>The physical progress is at 58.34% while the financial progress is at 62% as indicated in the June 2022 monthly report, which poses a challenge with the slow progress of the project.</li> </ul>	The project is 74%
2. Upgrading of Mainroad from Ndhuna Mandlakazi, Efrika, Zangoma, Mpenyisi to Jamba Cross Internal Street (Ward 13, Mandlakazi)	MIG	08/02/2021	30/10/2022	26 July 2022	<ul style="list-style-type: none"> <li>The committee observed that the project is progressing well, and the PMU manager, Ward Councillor and Site engineer confirmed that the project is progressing well. The project is on physical</li> </ul>	

						progress of 73% and 74% of the financial progress.		
3. Nwamitwa Bridge via Nhlegete School to Taxi Rank, Clinic via Lwandlamoni School to Nwamitwa/Mandlagadzi Road from Gravel to paving	MIG	08/02/2021	30/10/2022	26 July 2022		<p>• The project has a lot of challenges. The committee observed that wet paving bricks were being utilised during the site visit.</p> <p>• The sand that was being utilised was taken from the side of the road.</p> <p>• The quality of the paving bricks used was not good, the site engineer committed to providing the laboratory tests that he indicated that the tests were done, and the bricks were approved.</p> <p>• The Manager, PMU indicated that they also took the samples of the bricks to</p>	The project is on 73% physical project.	



					<p>the laboratory unfortunately, the results are not yet back.</p> <ul style="list-style-type: none"> <li>• Furthermore, there's slow progress on site due to the late delivery of the material, by the supplier.</li> <li>• Broken working relationship between the contractor and sub-contractors indicated by the engineer on sight during the site visit, which causes more delay.</li> </ul>	
4. Upgrading of Nkowankowa A CODESA and Hani Streets from gravel to paving.	MIG	29/02/2021	30/06/2022	26 July 2022	<ul style="list-style-type: none"> <li>• The project is on 97% physical and financial progress.</li> <li>• The V-Drains were installed at other households prohibiting the house owners from driving into their homes.</li> </ul>	The project is on 97% physical progress.

					<ul style="list-style-type: none"> <li>•The V-drains also have become mini pools in front of people's houses, as during the rain the water does not flow through the drains which poses a risk of water borne diseases and other related risks.</li> <li>•House no 1509 at Hani Street affected badly by the construction of the Codesa and Hani project.</li> </ul>	
5. Upgrading of Mulati Access Road from gravel to Paving.				26 July 2022	<ul style="list-style-type: none"> <li>•The project is progressing, with the delivery of material being the challenge.</li> </ul>	The project is at 64%

						<ul style="list-style-type: none"> <li>• The physical progress is at 64% and financial progress is at 69%.</li> <li>• The project has applied for extension time which is awaiting approval</li> </ul>	
6. Upgrading of Moseanoka to Cell C Pharare Internal streets from gravel to paving				26 July 2022		<p>The project is at 45% physical progress and 49% financial progress.</p> <p>The project is at 45%.</p>	

**RECOMMENDATIONS**

1. That Council approves the oversight reports on the 2021/2022, 1<sup>st</sup>, 2<sup>nd</sup> and Mid-Year performance with the following recommendations:
  - a) That the monitoring of the implementation of projects by committees of Council and the Project Management Unit must be conducted regularly during the implementation to ensure that proper correct materials are used.
  - b) That service providers be paid for the service done, to avoid the financial progress being greater than the physical progress as it poses a risk for the municipality.
  - c) That the Accounting Officer ensures that pipes in the middle of the road are investigated at the Paving of Risaba, Mnisi, Shando to Driving School which were not detected during the feasibility study.
  - d) That monitoring of Project number SCMU 29/2020 be intensified by the user department to ensure value for money for the municipality.
  - e) That the Accounting Officer ensures that planned targets in the quarterly reports are met.
  - f) That the PMU ensures that the sand being utilized at Project number SCMU 29/2020, is the correct one, and the areas where soil that was used on the 26<sup>th</sup> of July 2022 are redone with the correct sand, to ensure the construction of a quality road.
  - g) That the accounting officer delegate the user department to ensure that the contractor assist the family of house no 1509 in fixing their yard and gate, as it was damaged during the implementation of the road.

**FOR CONSIDERATION**