

## Mossel Bay Municipality Audit Outcomes from 2008 to 2021 – Auditor-General Western Cape

### The Financial Year as at 30 June 2010

#### Concerns for citizens:

10. As disclosed in appendix E(2) ... the municipality has **materially underspent its infrastructure budget to the amount of R13 660 025 which affected:**

\* Electricity peak load equipment underspent by R 7 460 275 (late receipt of project/delivery period)

\* Roads was underspent by R6 199 750 (late receipt of funds)

11. Note 47.1 – contractual claims iro court cases currently in dispute (mediation). Max unforeseen liability is estimated at R5 463 000. One claim referred to Municipality insurance company for the recovery of R963 000.

12. As disclosed in note 42.9 to the financial statements, material losses to the amount of R3 873 170 (21.56%) were incurred as a result of unmetered connections, ageing pipeline infrastructure, burst pipes, old reticulation networks and other leakages, unmetered consumers (fire and parks services).

17. Municipality **did not prepare a performance report reflecting the performance of the municipality and of each external service provider during the financial year as per S46(1)(a) of MSA.**

19. Land and Housing Programme and 12 deliverables within New Services and Infrastructure programme:

100% of the planned and reported targets were not:

- Specific in clearly identifying nature and required level of performance,
- Measurable in identifying the required performance,
- Time bound in specifying the time period or deadline for delivery.

20. The actual achievements wrt all planned indicators and targets in IDP for the two deliverables mentioned in Item 19 above, 4 were not reported in the annual performance report submitted for audit purposes.

24. Although there were improvements in the management and reporting on predetermined objectives, leadership did not in all instances ensure that the report on the predetermined objectives in the annual report was in compliance with the MSA, S46 ito the disclosure of the actual performance against the pre-determined targets.